

A strategy to transition from native forest to plantations for the south east woodchipping industry

A transition from native forest hardwood to plantation sourced wood has already been under way for some years now, but needs Government action to complete it.

Local residents and road users in the south east can see the transition in action every working day, with trucks and machinery historically used in the native forest sector, now used in the plantation sector or swapping between the two.

Today, this more politically and economically achievable than ever before.

- The export price for plantation pine woodchips in 2018ⁱ reached levels equal to or higher than the price obtained for most Eden native hardwood chip exports,
- Regional production of plantation pine resource has increased, although its availability for local processing is limited by exports of unprocessed plantation logs from Eden.

Actions required would include:

- Urgently assess (i) how much plantation wood is available and how much is required (ii) what retraining or other incentives for contractors and workers are needed (iii) what assistance, if any, for mills to retool.
- The Eden chipmill Wood Supply Agreement for native forest hardwood not be extended on 1 January 2019 for longer than 2 years, to enable transitional measures to be set in place.
- State and federal governments to limit or ban the export of whole logs from Eden to enable sufficient resource for local processing.
- Charges such as forest, land and waterway remediation bonds or leviesⁱⁱ to apply to any native forest industry operators which to not make the transition within the 2 year period.

Background



Australian woodchip exports 2018 \$A per BDMT

- In August 2018, the General Manager of Allied Natural Wood Exports stated on ABC SE radio that between 35 and 40 percent of the chipmill's output was already plantation sourced.
- International markets exist for greater exports.
- While repeated GIPA requests have failed to establish how much plantation resource is available, it is clearly increasing.
- Victorian forest campaigners in association with the Victorian Greens have recently launched a transition strategy <https://protectourforests.org.au/greensplan/> to move that State's logging industry out of native forests and into plantations.

ⁱⁱ Timberbiz <https://www.timberbiz.com.au/softwood-chip-prices-up-21-in-february/>
Plantation pine price (\$174.75/ bdmt) is now almost the same as the hardwood price (\$178.23 per bdmt).

ⁱⁱ http://www.chipstop.savetheforests.org.au/chipstop_submission_on_RFAs.htm