

Plantation and Native Forest Management Field Day Moorleah/Preolenna - Friday 13 November 2015

Some key themes emerging during the discussions between landholders and industry representatives:

Acquiring ex MIS plantations

- Resolve any legal issues immediately and take control of the plantation.
- Extinguish any Forestry Rights on title.
- Obtain good legal advice, shop around if necessary and be prepared to pay.
- Determine the value of the plantation trees both now and at harvest.
- Identify potential risks to the plantation (e.g. wind throw, fire, insects, diseases and nutrition) and ascertain future management costs.
- Determine lost rental income.
- Negotiate an outcome in your best interests.

Insurance

Seek specialist forestry insurers who understand the local environment and issues. Be prepared to pay – for example, one landholder cited a \$350 premium provided \$50,000 cover for a 15 year old eucalypt plantation in NW Tasmania.

Plantation management - insects

- Annually monitor insect damage and tree health from time of planting till 7-8 years and more so on either poor quality sites or in pruned stands to mitigate possible investment losses.
- Talk with neighbouring landholders and forestry companies and seek to work together to achieve for economies of scale when monitoring or undertake operations such as insecticide spraying.
- Talk to consultants, Private Forests Tasmania and forestry companies to learn about plantation threats and risks.
- Weigh up the costs of monitoring and control programs with the expected tree growth.

Plantation management – pruning, thinning and harvesting trees

- Management depends on many, often changing variables and must be tailored to suit the productivity of the plantation and your objectives. For example large industrial plantations may be managed for commodity products to meet predetermined markets over short rotations whereas small private plantation may be managed for potential high value products. Often financial objectives and considerations differ between forest owners.
- Plantation management can be both complex and sophisticated and here appropriate advice should be sought to best suit your requirements.

- *E. globulus*, blue gum, is preferred for pulp wood but many sites are more suited to growing *E. nitens*, *Shining gum*. Both species can be sawn but *E. nitens* is more difficult to dry. Research is underway to overcome this problem.

Native Forests

- Certification is here and it is becoming even more important. It is cost prohibitive for individual landowners to obtain themselves and most forest companies have certification that accommodates wood from private land. If Forestry Tasmania gains FSC certification shortly, then FSC will dominate certification in the State.
- The 850,000ha of private native forest, which exceeds the native forest area managed by Forestry Tasmania, could provide about 1M cubic metres of wood annually to significantly complement wood harvested from native forests managed by Forestry Tasmania.
- Native forest harvesting produces large amounts of residue wood and a current major obstacle is to find markets for the residue (pulp logs).
- Native forests are an asset – not just for wood but for the wide range of values the community has come to expect be provided.
- Private forest owners are not coordinated and are therefore unable to offer large parcels of wood over a long term to potential buyers.

Markets

- Know what you have to sell and be aware of costs of Forest Practices Plans, harvesting, roading, cartage, replanting and future management. Operational costs can be significant and are an investment to increase the asset value of the plantation.
- Investigate markets, talk to other private forest owners, consultants, wood buyers/brokers and the forest companies.
- Keep informed of current and potential future markets and price movements and consider the range of existing and emerging markets. Pay attention to opportunities to sell into 'premium' markets.

The field day notes are available on PFT's web site.

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