Private Forests Tasmania

What are my trees worth?

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The amount paid to the forest owner by the timber purchaser is known as the stumpage (also called 'royalty').
The stumpage excludes the costs for planning, harvesting and carting the forest products to a processing plant.

In general, timber processors value logs that have uniform characteristics (shape, size, clearwood amount or small knot size) as these logs are more easily processed, have higher recovery rates and yield higher value products.

The stumpage will be influenced by factors such as:

- regional market opportunities;
- volume harvested;
- log grade;
- logging and access difficulty;
- cartage distance to the processor; and,
- product.

In most cases, plantations that have been pruned on time with a substantial amount of clearwood laid down over a consistent, small knotty core will generate the highest stumpage to the forest owner and will also be keenly sought after.

Well managed stands have historically been easily sold and provided higher returns to forest owners.

Unpruned plantations can also provide good returns but will not command the highest stumpage premiums from the major processors in Tasmania.

> ***'Pruning must be carried out on time during the early years of the stand'***

However, the cost of pruning, available resources and a local market must also be borne in mind when deciding whether to prune your trees, or not.

The situation is similar in native forests, where trees that have uniform characteristics of shape, size, small knots, low defects and desirable species i.e.. high quality native forest, will command a higher stumpage than low quality native forest (poor tree shape, size, high defects and undesirable species).

The following table provides an indication of the range in stumpage that has been paid by processors to private forest owners. There are other wood products harvested from private forests including firewood and craft wood – but there is insufficient information available to include these in the table.

Indicative range in stumpage paid by the Processor

Category	Sawlog $/m³	Pulplog $/t	Veneer		Treated roundwood	
			RPV* $/t	Slice $/m³	Poles $/t	Fencing $/t
Native forest hardwood	25 – 35+	8 -15	12 – 15+	60 – 85+	45 – 65+	
Native forest special species**	25 – 65+	8 -15		60 – 85+		
Plantation hardwood	20 – 30	20 – 30				
Plantation softwood	20 – 30	5 – 10		60 – 85		25 - 30
Plantation special species**	30 - 65	8 -15		60 – 85+		

** RPV - Rotary Peeler Veneer*

*** Special species are particularly prized for their aesthetic appearance.*

Traditionally specialty timbers were obtained from native forests, but they can also be acquired from plantations such as: blackwood and exotic timber such as: redwood, cypress, etc.

Notes to the table

1. Sawlog and sliced veneer is usually measured in cubic metres (m³); pulplog, RPV and treated roundwood in tonnes (t).
2. Veneer prices can be $85+ for special species or logs with special features such as “fiddleback”.
3. Hardwood plantations are generally still too young to be producing quantities of quality pruned clearwood sawlogs or veneer.
4. A knotty sawlog market is developing for plantations, increasing the marketing options.
5. The major soft wood sawlog processors are located in the North.
6. Soft wood pulpwood from thinnings has in some instances been non-commercial in recent times due to limited regional supply options. However, there is a predicted shortfall in the availability of Crown soft wood resource and this is anticipated to increase the potential stumpage paid for all soft wood products.
7. Definitions:

***Pulplog** – A log harvested from a plantation or native forest stand that does not meet sawlog quality specifications and is designated to produce pulpwood* (or composite products such as fibreboard). Grades and corresponding prices apply depending on species, colour, fibre length etc

Roundwood – *Wood in round form, namely logs from the bole and larger branches. Includes sawlogs, pulplogs, poles, piles and posts.*
Sawlog *– Log used to manufacture sawn timber. High-quality sawlogs are sawlogs meeting a specified size and grade specifications (including the amount of permissible defect). Low quality sawlogs are sawlogs not meeting high-quality sawlog specifications.*
Veneer – *Thin sheets of wood, usually thinner than 3 millimetres, which can be glued and pressed to make plywood, or glues and pressed onto core panels (typically wood, particleboard or medium-density fibreboard) to produce panels. Can be produced by slicing or peeling logs.*
Source https://www.awe.gov.au/abares/forestsaustralia/glossary accessed 22/11/21

Timber price anomalies

Occasionally there are opportunities for forest owners to take advantage of significant price increases due to short-term timber market anomalies. Historically these have included, but are not limited to:

- the export of large, poor quality, softwood logs that would have been very difficult &/or unviable to harvest and market within Tasmania; and
- small volumes of very high value craftwood, where woodturners etc. are willing to pay substantial amounts of money for interesting turning blanks.

Who will buy my timber?

There are 3 main types of timber buyers in Tasmania:

1. **Large industrial forestry companies**
   The large companies will usually carry-out the majority of the work involved in a typical timber sale and offer a corresponding stumpage rate to the landowner.

2. **Independent forest management / timber brokerage companies**
   The amount of work that the independent companies carry-out in a typical timber sale varies and is flexible according to the situation, the stumpage rate can vary also but generally, due to greater product segregation, increased market sectors and lower overheads, the stumpage rate is slightly higher than the large companies.

3. **Country sawmillers / portable sawmillers / harvesting contractors**
   The smaller operators tend to rely on consultant foresters to collate Forest Practices Plans, etc. on their behalf; but the applicant is usually the landowner and therefore they take ultimate responsibility for the plans. Stumpages can fluctuate widely, but these operators are generally suited to smaller operations that the larger operators would find uneconomic.

See also *How to sell wood from my private forests* and the *Directory of Tasmanian Forestry Services* on our website.

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Tree Alliance

Private Forests Tasmania