

**Submission
No 219**

**INQUIRY INTO LONG TERM SUSTAINABILITY AND
FUTURE OF THE TIMBER AND FOREST PRODUCTS
INDUSTRY**

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Date Received: 11 June 2021

Submission into sustainability and long-term future of timber by members of legislative council (NSW) written by Leigh Campbell sawmiller and forester from Oura via Wagga 2650.

I wish to submit the following information which I believe to be highly relevant to this industry which has in the past been of great importance to many people both for employment and usage but has now narrowed its focus almost exclusively to the production of woodchip and house framing timber, pallet timber and treated pine.

While all of these are of great importance, they cater largely to the lower value end of the market.

Following are details of my broad experience of the timber industry timber in the region from around Wagga to the main timber growing regions around Tumbarumba to Batlow and Tumut and beyond.

1956 Began cutting firewood supplying into Wagga city, species red gum, yellow/ white box.

Built approx. 30 timber framed sheds from 1964 onwards, timber used mainly stringy bark/ messmate/ white gum and cyprus pine.

Began buying downgrade timber from Tumut, Laurel Hill, Batlow and Tumut sawmills, species radiata pine/ash/messmate/ white gum and reprocessed into mouldings, shed and framing timber and pallet/ fruit bin timber often manufacturing the latter myself.

1979 purchased approx. 2000 acres native hardwood forest at Oberne Creek between Tarcutta and Batlow. Principal species, red and grey box/ stringy bark/ red gum.

Approx 1980 purchased disused sawmill plant from Batlow Case and timber mill and relocated it to forest at Oberne creek. Sold large qty. bridge timber for use in local bridges and supplied substantial timber (red box only) for restoration of Melbourne wharves.

Manufactured 74 x 3 and 4 bedroom transportable houses using mainly stringy bark for bearers and Joists/radiata pine frames and mouldings.

1986 moved sawmill from Oberne Creek to Oura. Was able to purchase approx. 1,000 tonne of Douglas fir from State forests and began cutting ash/messmate/ white gum as well as cyprus, pine while still cutting trees from Oberne creek.

Over the years we have also demolished many buildings the materials being sold through our retail business. Timber from some of these buildings mainly hardwood (ash/messmate/ white gum) was used in the new EPA building in Melbourne, a plaque there recognizes us as a supplier.

New year's eve 2019 to now, Dunn,s Road Fire missed our Oberne creek property by about 400 metres but burnt our logging equipment which was near Batlow at the time.

The fires and subsequent easing of restrictions on cutting hardwood in certain areas mainly around orchards has meant we have had access to substantial quantities of white gum/messmate and some ash.

Because our mill is able to process very large logs, we have also harvested a lot of radiata pine which the big mills cannot handle.

Also harvested a number of different species from a small experimental plot near Kunama and from other areas, some trees we are unable to identify as all leaves and small limbs are burnt, from information from locals we believe we have European Cyprus/ chestnut/English oak/hickory/poplar/ California redwood/ silky oak/sugar pine/western red cedar plus others we can't identify.

The acquisition of these different varieties has been timely as we are beginning to develop a boutique department in our business specialising in furniture timber, mouldings, and feature timbers such as shelves, slabs, wall linings and natural round posts and rails.

In most cases these exotic species had grown to sizes comparable with radiata pines sown in the same locations at the same time and are producing some exceptionally attractive slabs and furniture grade timber.

The other benefit of the fires for us is that for the first time we are able to achieve prices needed to make an adequate profit.

Up to this point I have established a rough idea of where my family business has been and is going and I hope I have conveyed the point my knowledge and experience is of the timber industry from grower to miller/processor to end user over many years.

It is a great disappointment to me that so many friends who owned mills in the region and did other processing over the years have left the business.

EG. Laurel Hill sawmill and handle factory, Hardy's Back creek hardwood mill, Peels mill Batlow, Batlow Case and timber mill, White's sawmill Wagga, Central milling co Wagga. Cullens boat and oar manufacturing Wagga, Jack Wills cyprus sawmill Temora, Makehams red gum sawmill Darlington Point, CSR Pine sawmill Tumut, Rosewood sawmill, Humula sawmill and two Holbrook sawmills.

I believe the organization State Forests of NSW have walked roughshod over this industry at least locally to the detriment of most involved for many years, instead of nurturing and encouraging participants in the industry they have choked supply to smaller operations for no obvious reason than that they could.

One particular instance I was involved with was the supply of quality ash timber to Rod Cullen's handle making factory in Wagga, the only logs available to them was from salvage ash which was usually supplied exclusively to a hardwood mill in Tumut. It was either small or reject logs.

Unless ash is from a mature tree it usually bows so badly when milled that is almost useless except for pallets which is what that mill specializes in, certainly useless for making handles.

The volume of timber he needed was approximately 300 cubic m3 per annum State forests said supply of all their good ash was committed to one client in Victoria, as such he was unable to get any.

I also tried to get some from them for him and got the same reply.

They apparently preferred to see him close this important factory than supply the logs from an enormous estate of suitable trees.

Peels mill Batlow was unable to get anything but low-grade salvage logs and eventually closed.

The only logs I have ever been able to get from State Forests was Douglas fir in spite of trying on many occasions seeking pine or hardwood logs.

The Douglas fir logs were from 150mm to 250mm in diameter, it was easy to mill and the timber stayed straight and did not bow even in hot weather, in spite of the small size yield was satisfactory and the timber suited many purposes.

I tried to get more later but was told it had all been sold to Visy for woodchips.

The Douglas Fir were grown on a number of areas, the ones I got were from sites near Laurel hill, I believe many hundreds of acres, they were sown in 1961 at a rate of 600 trees per acre as is normal for pine and in sixty years never thinned as pine would be, as such they remained small. Research I have done says that they are a self pruning tree that should be sown only to the desired amount needed at maturity.

There are other areas where it was grown under proper circumstances, grew very well and so far, as I could find out grew at a similar rate to radiata. I have never able to buy any of these larger trees.

Another variety I came across about thirty years ago was Californian redwoods, they were grown as part of a windrow of mainly Radiata pine. Though they had smaller girths than the pine they were very tall and straight whereas the pine had bigger girths they had very short trunks with many limbs.

I formed the opinion the redwoods would yield a similar amount of timber if milled, limbs on them were no bigger than about 40mm in diameter at the base.

I obtained all the information I could from the internet and learned that there are some additional benefits with redwoods. One is that the trees have a thick bark which makes them largely impervious to fire. The other is that when harvested the stump coppices just as most of our native hardwoods do. This saves the cost of replanting, the new shoots have to be thinned to usually two per stump, it is said the new shoots have been measured at up to six feet high in the first year.

It is from such regrowth forests where America gets the majority of its redwood lumber.

I have supplied an article from Woods and Forest magazine comparing redwood growth and value with Radiata pines in New Zealand, I believe it backs up my argument that at the very least this valuable timber should be given consideration.

There are a number of redwood trees growing across the higher rainfall region my submission is about as well as some exceptionally large ones at the Pilot Hill abortorium managed by state forests.

In 2000 I ran as an independent candidate at the state election, one issue I raised and published was that it was worth looking at growing redwoods and other species as well as Radiata pine particularly for farm forests.

The following morning I received a phone call at seven thirty am from state forests advising me they had information I had been harvesting timber from my forest illegally and that they would be at my property by nine thirty and for me to be there.

When I got to my property there were quite a number of state forest workers there waiting, I was told they were there to count the stumps.

I said to the head forester whom I knew, "You know I have been cutting timber here for years, this is because of the article I published, isn't it?" He insisted it wasn't but while not saying so in so many words left me in no doubt if I persisted it would be very difficult for me to get timber anywhere.

As such I abandoned all efforts to be part of the election. I was fined \$4500 days later.

Our native eucalypt forest is a perfect example of how it is possible to harvest without degrading either the forest or the land at the same time improving the quality of the trees grown, with a cycle of about ten years between selective harvesting otherwise useless timbered country becomes a valuable asset.

About five years ago we tendered a steeper portion of our forest to be used as a state conservation area. Members of the EPA inspected the property as well as from Farm Forestry and State conservation, all were impressed by the fact that in spite of harvesting many thousand of tonnes of timber it was difficult to see where it had been removed from.

I was asked if they could hold a field day there and could I explain to people how they should harvest such forests. This has not happened but it gave me comfort they could see the potential of harvesting.

My opinion is that on country with a reasonable rainfall some varieties of native trees when coppiced from the stump of a tree sawn down can grow as quickly as radiata pine. Native forests are not delicate things that must be coddled, they are as robust as noxious weeds and can and should be used.

Preserving flora and fauna in areas being selectively harvested requires nothing more than basic common sense.

Enclosed are some articles to back my ideas re redwood.

My region covers millions of acres of private land, the more mountainous areas vary from intensive farming including horticulture to native timber of stands from semi woodlands to heavily forested.

I regret I do not have the ability to provide a true quantity of how much is timbered but leaving out current plantations areas I believe conservatively there should be at least one million acres based on there being at least five hundred other areas the size of my forest.

On my own property which is in a marginal area for growing timber using a ten year rotation the yield is at least two tonne per anum, in the higher rainfall areas it would easily be double.

If my calculations are anywhere near correct this leaves us with a potential two million ton product to use available immediately.

The timbers use would be for wood chip, firewood, sawn timber, export logs, tool handles etc.

Common current prices available, Hardwood woodchips \$75 tonne, Firewood \$300 tonne, sawn hardwood timber construction grade \$1200- \$1500 per m3 (about 1 tonne). Pallet grade \$500 M3.

We are unable to sell the hardwood woodchips from our mill because there is concern by potential customers (including Visy) that the chips may not meet strict requirements of (I believe EPA) regarding their origin. However \$75 is about the local going price for all chips at the moment.

Both firewood and sawn timber prices are what we charge and are common throughout the industry.

Of the potential 1m tonne of timber available I think 73% = 1.46 million tonnes will go to woodchips, 2% firewood = 40 thousand tonnes 25% sawn timber =400 thousand tonne.

Potential annual gross value Woodchips \$109m sawn timber \$480m firewood \$12m Total= \$600m.

Woodchips make up the biggest percentage of my calculations because they initially will come from trees not suited to any other purpose, the heads of trees cut for logs and sawmill offcuts.

In a managed forest the percentage of millable timber will be much higher than from a forest being harvested for the first time.

With a worldwide shortage of timber there has never been a better chance to take advantage of what is at present an almost completely dormant section of this industry, one that is already existing, one that is self sustaining with the capacity to employ many thousand workers directly and indirectly.

State owned forestry is an important and probably profitable organization but they have no place in private forestry nor should they have any influence over it.

If the private timber industry is to attain its huge potential there must be a state backed management structure.

I believe there should be a regional CEO directed by a regional board made up of members with practical experience and knowledge of timber and /or timber use in our region.

The CEO will co ordinate activities between producers, processors and marketing. They will liase with government regarding regulations and any possible funding or problems arising.

Marketing will be the most important issue and will require a separate person or persons to seek out local or international markets in consultation with such organisations as Department of Foreign Affairs and Trade, timber brokers, bulk firewood buyers etc.

It would be necessary to have a head office most likely in Wagga which has just been granted a huge amount of money for industrial development and a rail hub which could assist with taking export wood chips and any other product to sea terminals.

As I have been approached more than once to supply firewood to overseas countries it is clear there is an immense market for that product if the figures stack up.

Of recent times I was approached by a well-known national company specializing in recycling.

They were considering setting up a Bio char plant in Wagga to turn the cities twenty thousand ton of green waste into bio char, the process also created many bi products including fertilizer, charcoal for furnaces for cosmetics and other uses.

The problem was they required a minimum of 40 thousand tonnes of waste to make it viable which could include items such as old pallets and any timber from demolitions or sawmill waste.

An almost blanket ban on using timber from native forests killed the project though I know they have been querying the availability of woodchips recently but with Visy soaking up almost all available pine chips and the Tumbarumba and Tumut mills using much of theirs for boiler fuel to dry timber there is already a shortage of chip of any description in spite of an unexpected spike in supply from trees killed in recent fires.

To here I have largely written about the already existing self replacing privately owned native timber estate which has been almost completely destroyed by government regulation urged by do-gooders none of whom have a clue about the reality of the bush, its resilience or potential.

Some years ago, there was a push to get farmers to grow mainly Radiata pine plantations on their farms, with livestock prices so bad at the time it looked a good alternative.

At about the same time many companies were being formed using investors funds to purchase land and establish pine plantations, a large percentage of these companies failed leaving investors incurring extensive losses and a bad experience.

Few farm forestry plots were successful because they lacked the scale to interest buyers or simply because the price offered barely covered the cost of establishment.

Since then, few private farm plantings of pine have been made except for windbreaks.

The radiata pine from windbreaks is largely what we mill most of the time, the trees having gotten far too big for the highly mechanized mills in Tumut and Tumberumba, they also often have large limbs which make them unsuitable for construction work.

We normally pay about \$300 for a ten-to-fourteen-ton load of logs. In almost every case we have to clean up the site and employ a contractor with an excavator to do so, this can cost more than the logs.

Most but not all of these trees were killed during the recent fires, none the less we have never had to pay more for farm grown logs.

There is little monetary incentive for farmers to grow radiata pine trees though there is a lot of areas not suited to any better use other than forestry.

I have written about Coastal Redwoods and Douglas Fir but there are other species such as English elm/oak, European cyprus, Silky oak and more that would be well worth trying.

Some research should be done as to their suitability to different areas, there are probably enough samples of each growing in the region either on private properties or in test plots done many years ago to provide informed decisions as to the best ones for farmers to grow.

In some cases, native timber of low value other than for one off woodchip harvesting would be better planted to species such as I suggest.

As it is a long process getting a return from a forest, I suggest there would be investors or end users most likely foreign who would be prepared to pay an annual fee to the farmer that would give them a modest return till the trees are harvested. The value of the contribution to be deducted from the final sale of the log.

This would make it more attractive for the farmer and provide a guaranteed supply to the investor, either of whom could on sell their interest at any time.

In conclusion. My forest is available to be inspected at any time by anyone with a genuine interest, they will see that selective harvesting promotes a healthy forest and is satisfactory financially, while I have a native forestry agreement it is a draconian document not easily obtained and a complete deterrent to anyone who follows its rules.

I want to be of as much assistance as possible in resurrecting this once important industry and can be called upon to help in any way.

Yours Sincerely Leigh Campbell

