



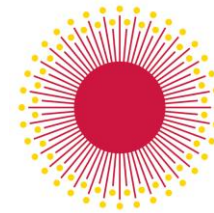
North East NSW Forestry Hub

What is My Native Timber Worth?

Nick Cameron 15 February 2023

About us

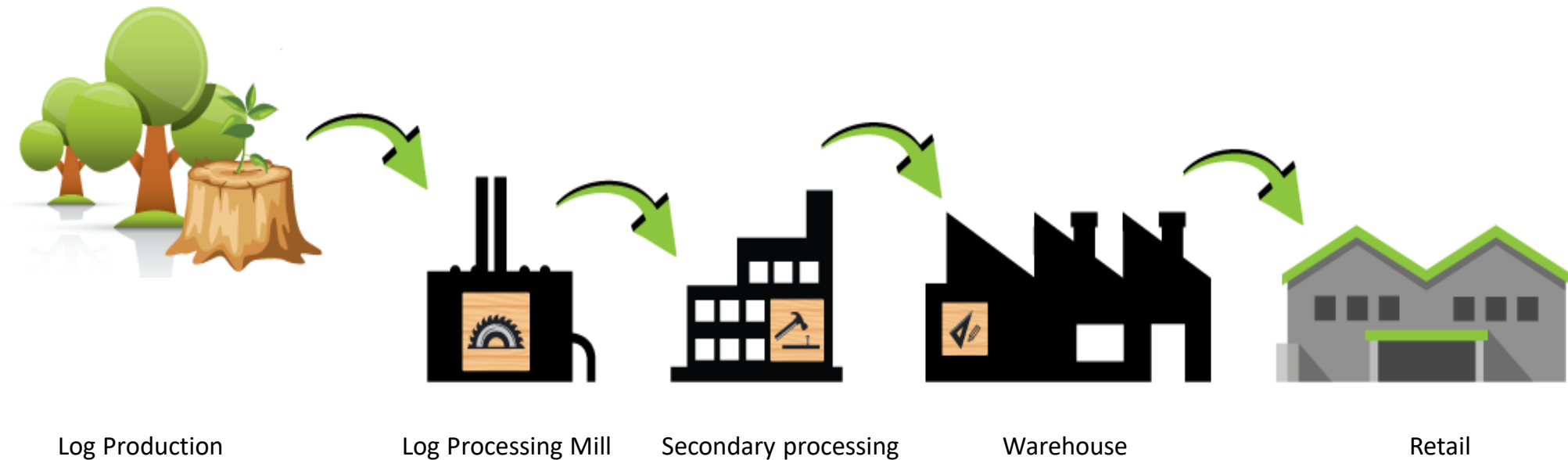
- We are a research and development organisation established in April 2019 under a Commonwealth Government Grant Agreement which contributes to the National Forest Industries Plan.
- One of eleven regional forestry hubs in Australia. Governed by a Committee that comprises local industry and community stakeholder members.
- **Our role is to undertake strategic planning, technical assessments and analyses to support growth in the forest industry in the north east NSW region. Next year our role will be expanded to include extension services.**
- Our findings are conveyed to the Commonwealth and our reports are made public. nenswforestryhub.com.au.



**North East NSW
Forestry Hub**

Timber production supply chain

- When you produce commercial quantities of hardwood logs you become part of a timber supply chain that employs thousands of people.

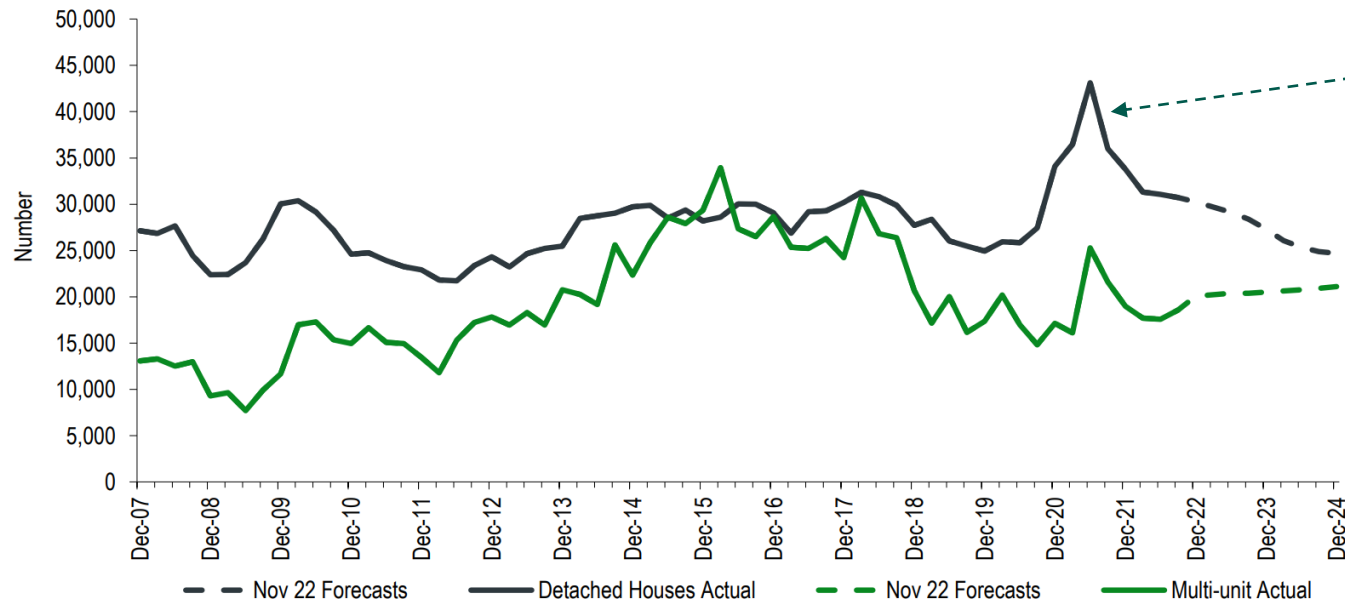


Timber Demand

- The worth of your native timber is influenced by demand and supply factors
- Demand in recent years has been very strong

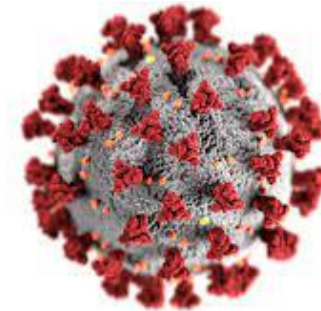
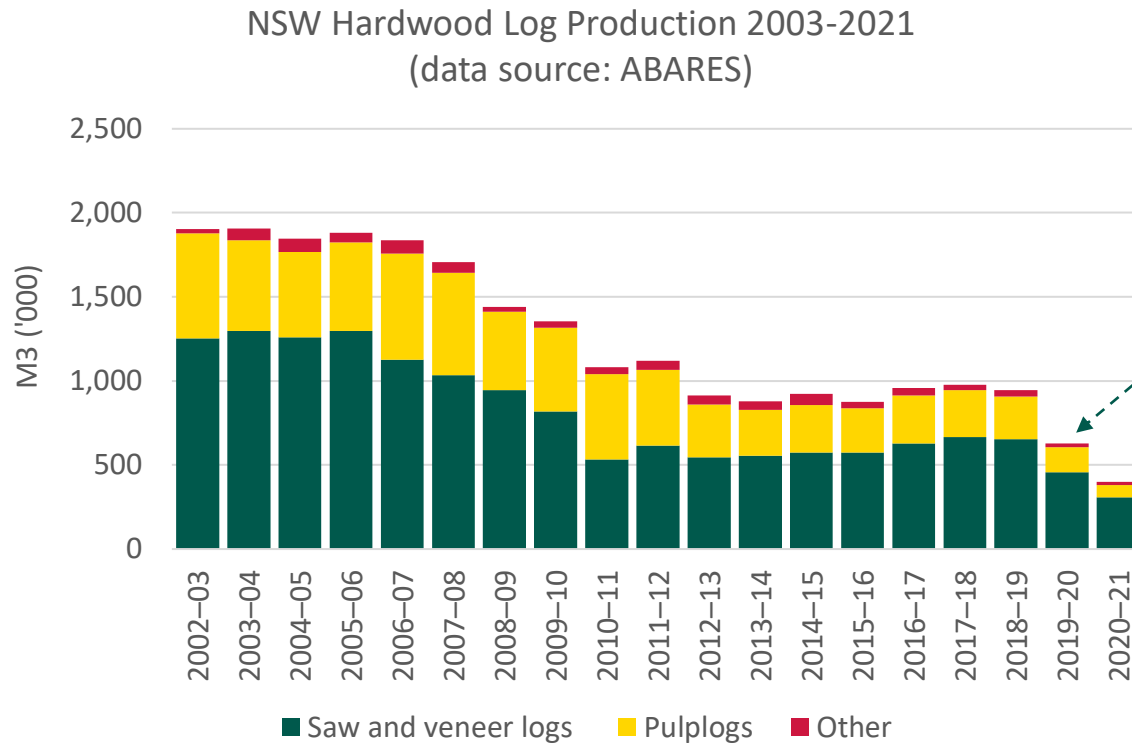
HIA Forecast - Australia

Source: HIA Economics



Timber Supply - Hardwood Log Production

- Supply in recent years has been very weak



‘Something needs to give’: Timber scarcity chaos for owners and builders

How the market for timber is reflected in log prices

Forestry Corporation of NSW (FCNSW)

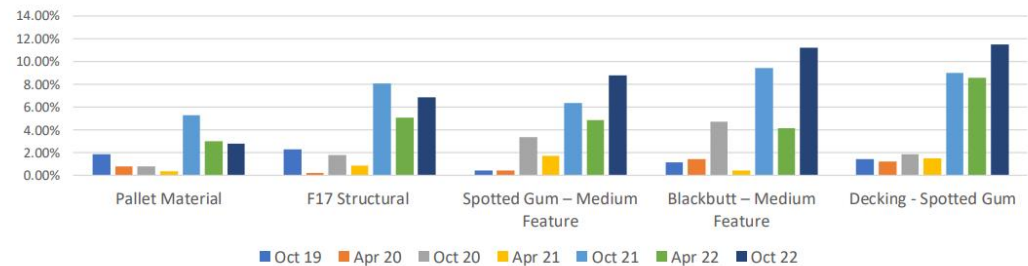
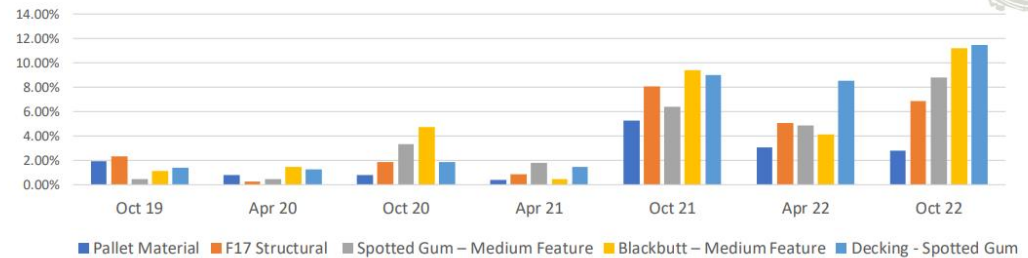
- Supplies over 60 percent of the region's hardwood logs.
- Supply of high quality logs occurs under long term wood supply agreements.
- FCNSW adjusts its log prices based on the outcome of its timber market surveys - ten timber products are surveyed

PNF Landholders

- FCNSW log prices influence the price paid to private growers.
- PNF landholders can obtain better log prices than FCNSW in a strong market but may receive less in a weak market

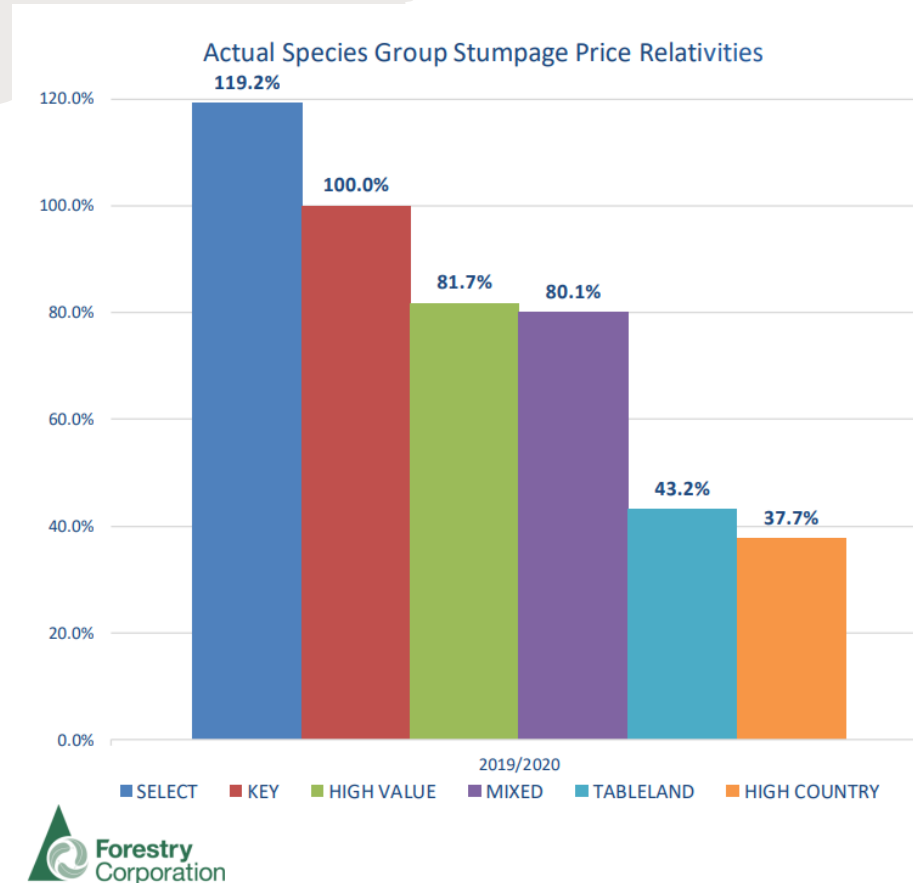
Timber Market Survey

Key Timber Products Surveyed:



High quality sawlog pricing

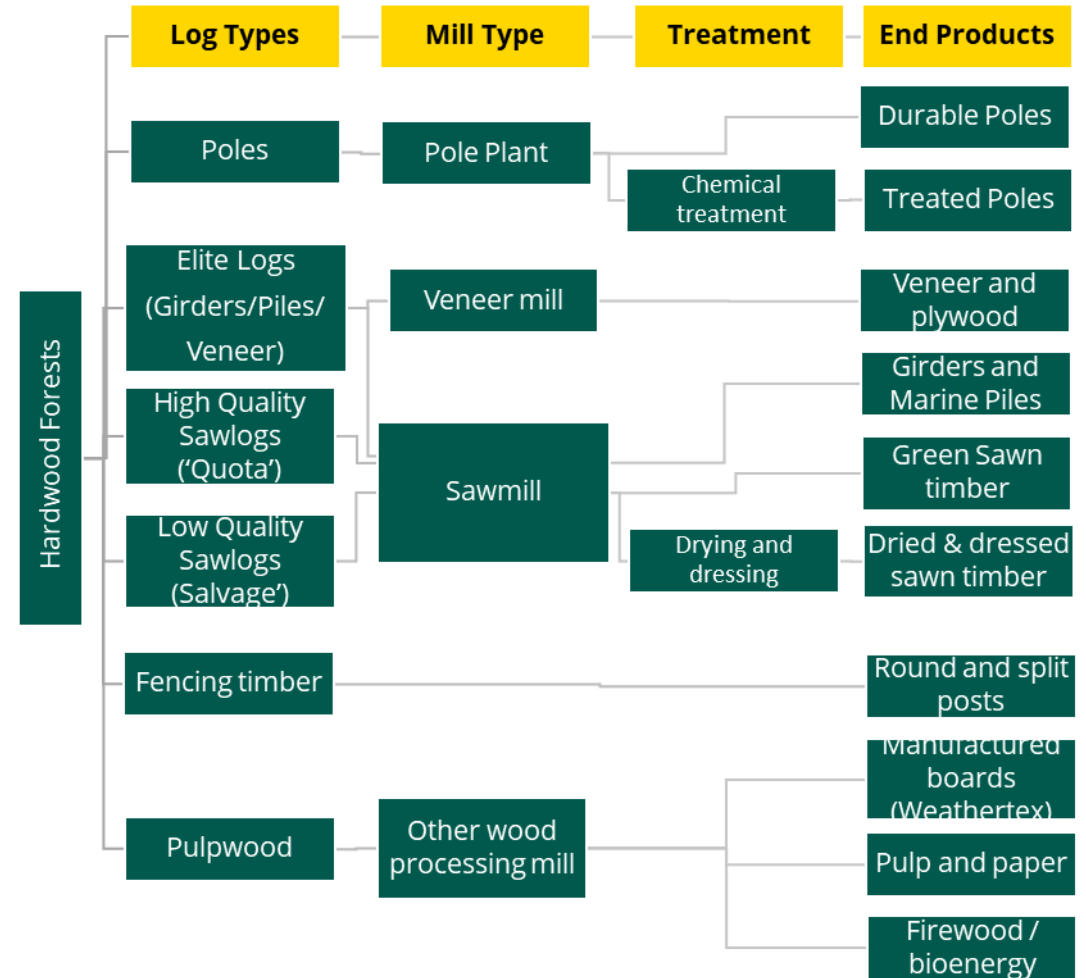
- The value of a high quality sawlog is species dependent
- There are around 50 commercial hardwood species
- On State forest species are grouped into six log pricing groups based on their wood properties
- Tableland species are valued at less than half the price of coastal species like Blackbutt, Spotted Gum, and Tallowwood



FNSW Species Grouping	Species Name
Select Hardwoods	Ironbark
	Brush Box
	Grey Box
	Steel Box
	Gympie Messmate
Key Hardwoods	Blackbutt
	Spotted Gum
	Tallowwood
High Value Hardwoods	Sydney Blue Gum
	Silvertop Stringybark
	Flooded Gum
	Turpentine
	White Mahogany
	Red Mahogany
	Grey Gum
	Whitetopped Box
	Bangalay (<i>E. botrioides</i>)
	Mixed Hardwoods
White Stringybark	
Blueleaved Stringybark	
Bloodwood	
Forest Red Gum	
Yellow Box	
Brown Stringybark	
Narrowleaved Stringybark	
Pink / Red Bloodwood	
Youman's Stringybark	
Tableland Hardwoods	Messmate
	New England Blackbutt
	Silvertop Ash
	Diehard Stringybark
High Country Hardwoods	Brown Barrel
	Manna Gum Ribbon Gum
	Shining Gum
	Monkey Gum
	Round Leaved Gum
	Peppermint
	Woollybutt
	Mountain Gum
	White Ash
	White Gum
	Maidens Gum
	Scribbly Gum
	Yertchuk (<i>E. considniana</i>)
Apple Angophora Spp.	
Dunn's White Gum	

Hardwood log types/grades and their uses

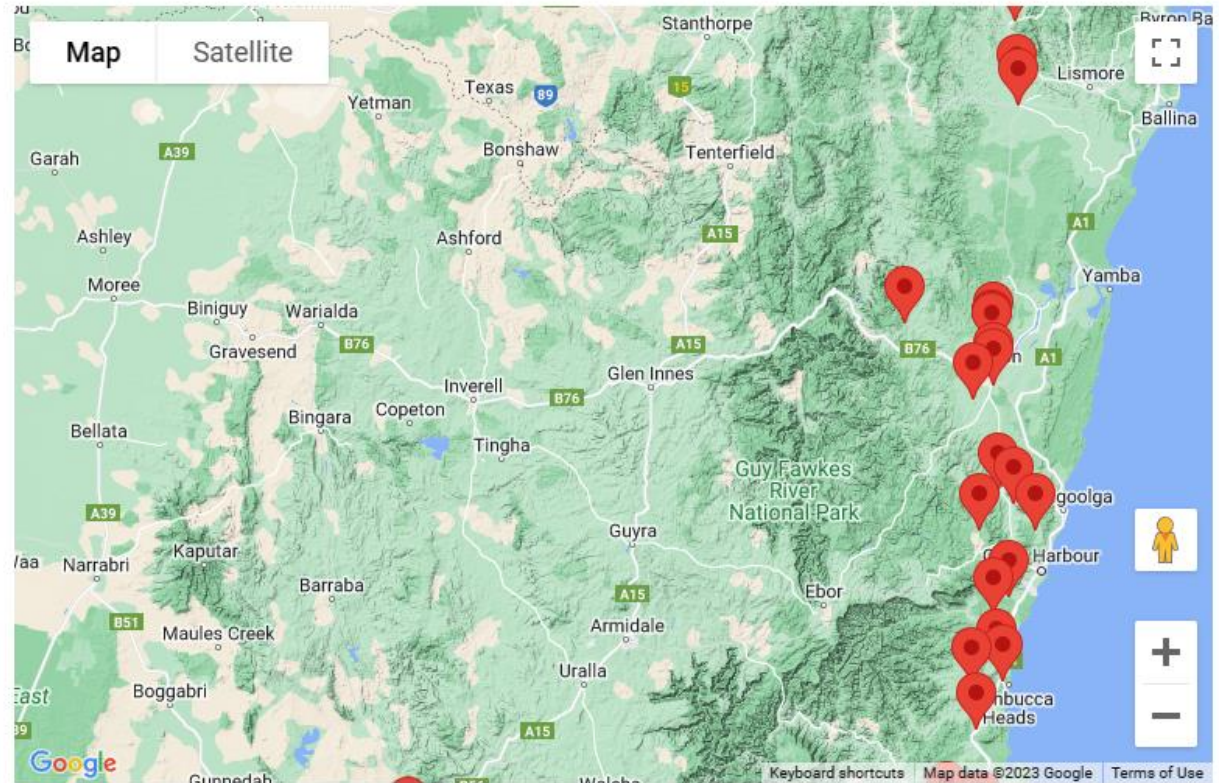
- The quality and size of a hardwood log determines what it can be used for.
- Log quality is based on size, form, and defect.
- Logs which are of good form and have low levels of defect are priced more highly than those which aren't.
- Graded logs are commonly grouped into one of six log types



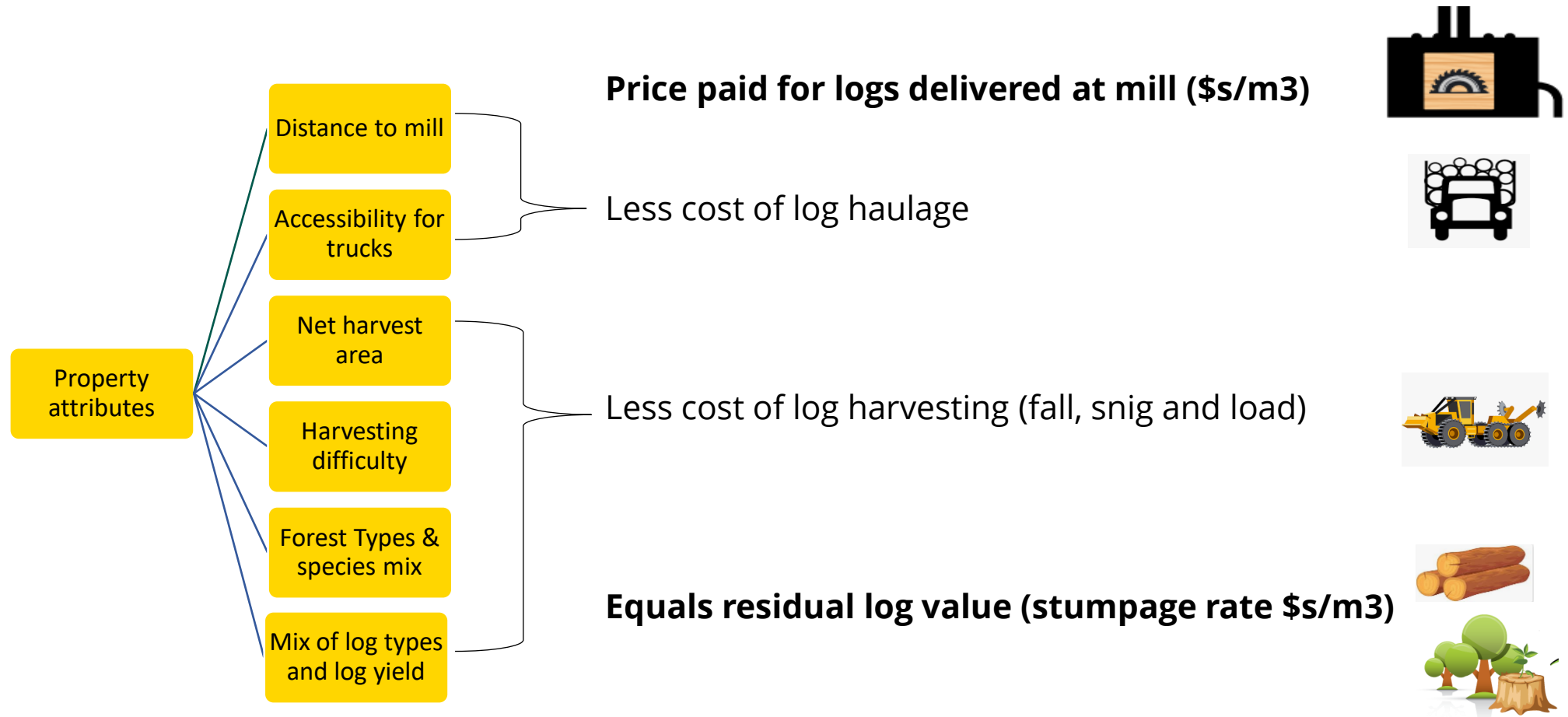
Hardwood Log Processors (mills)

- About 50 log processing facilities in the region
- Predominantly on the coast
- For details see [North East NSW Forestry Hub | People & Timber » Infrastructure \(nenswforestryhub.com.au\)](https://nenswforestryhub.com.au)

North East NSW Mills

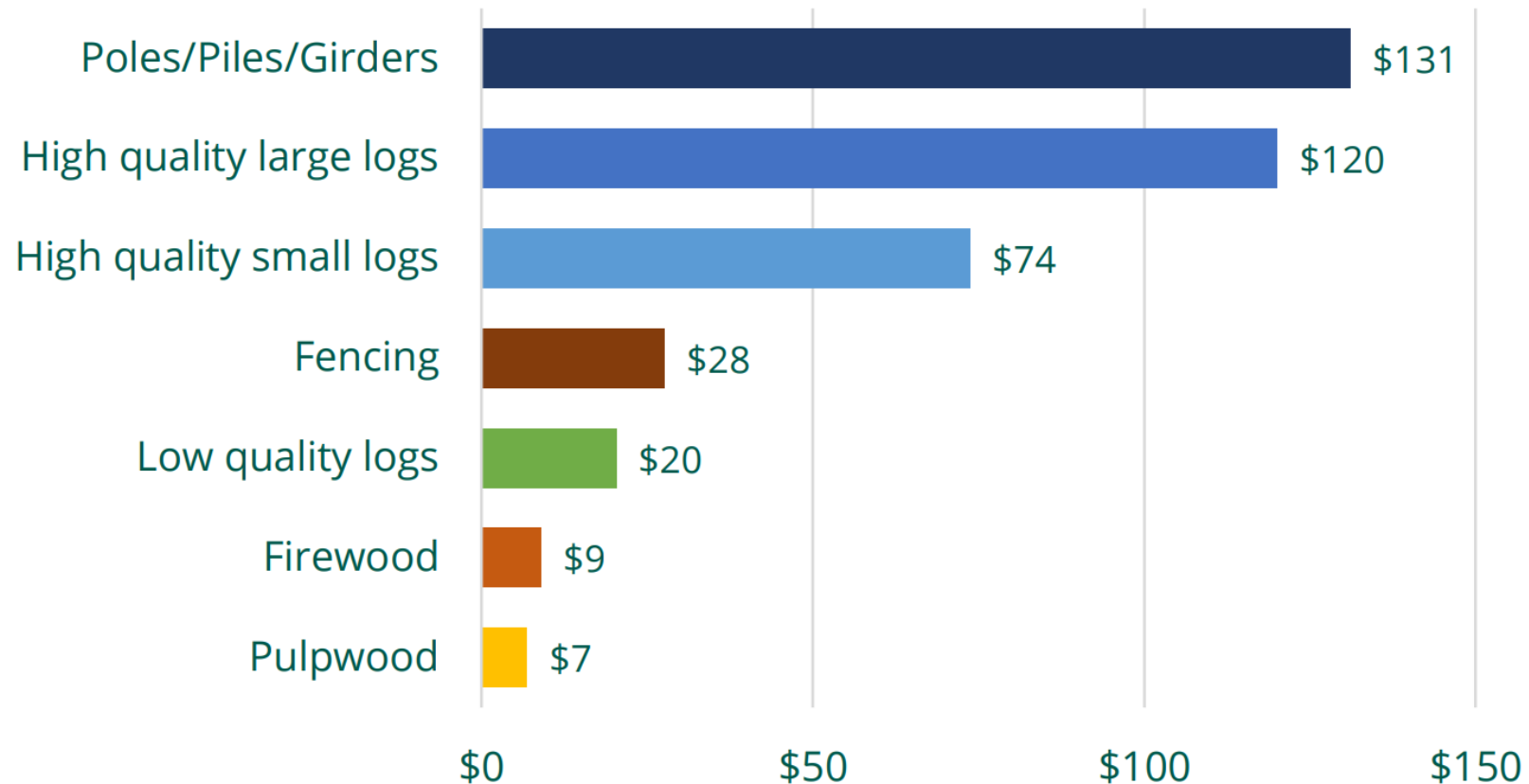


Local factors that influence log value

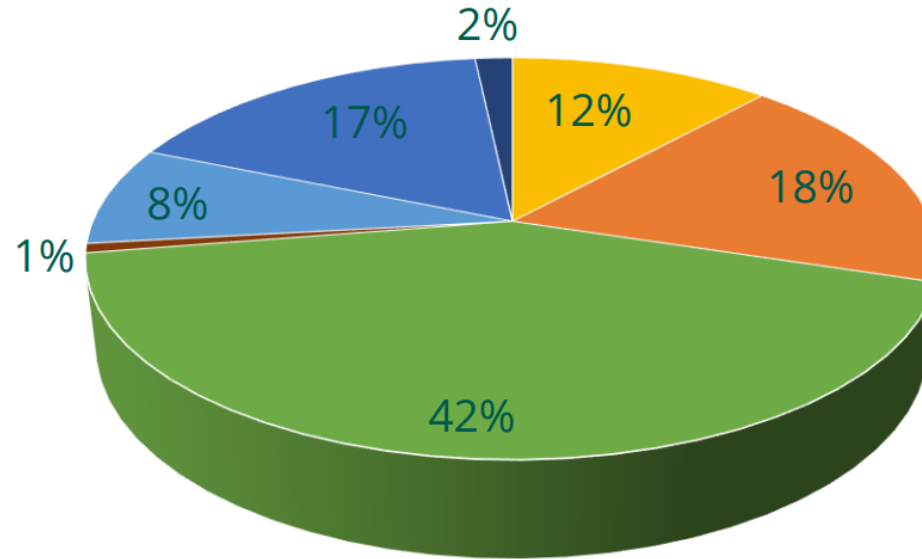


Indicative stumpage prices paid to private landholders

- \$s/m³ based on twenty north coast sample properties that were harvested in 2021 and 2022

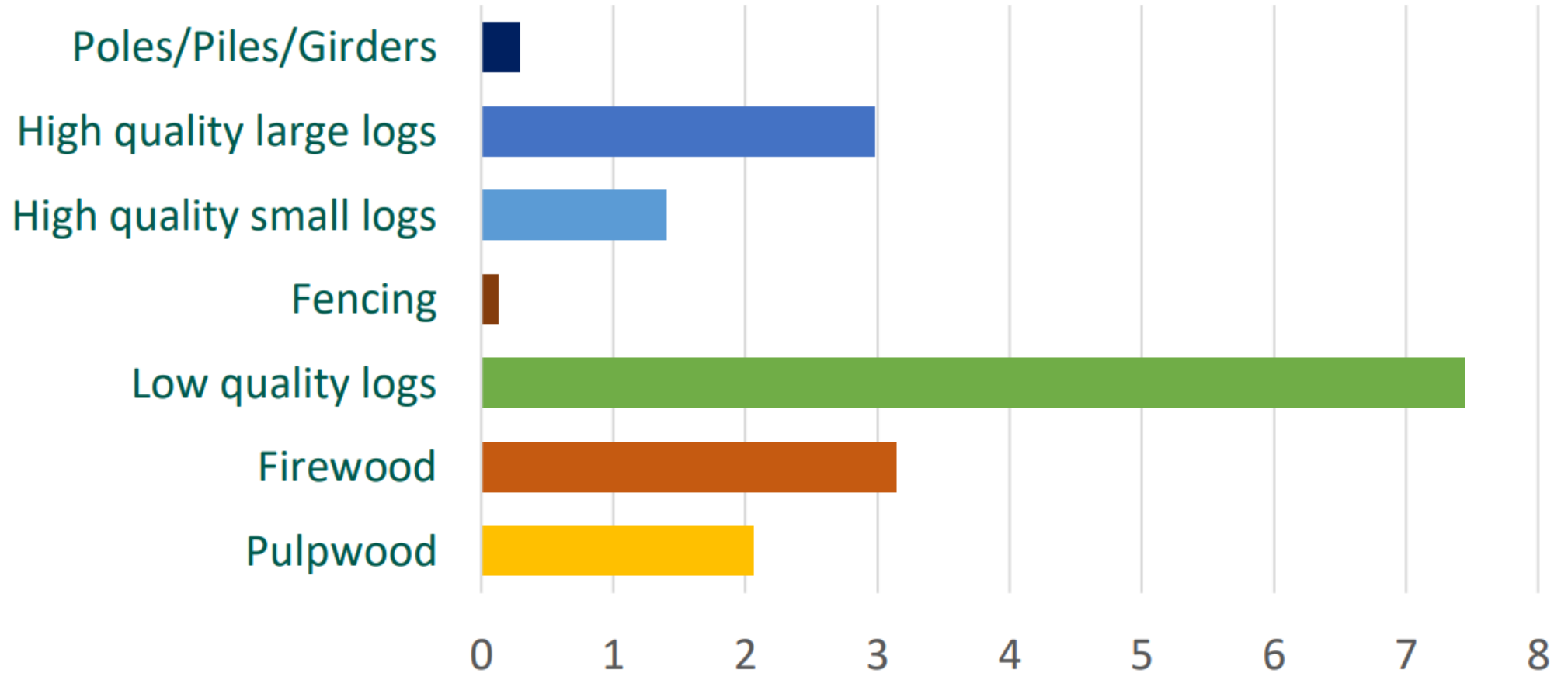


Indicative mix of log types from private property- %

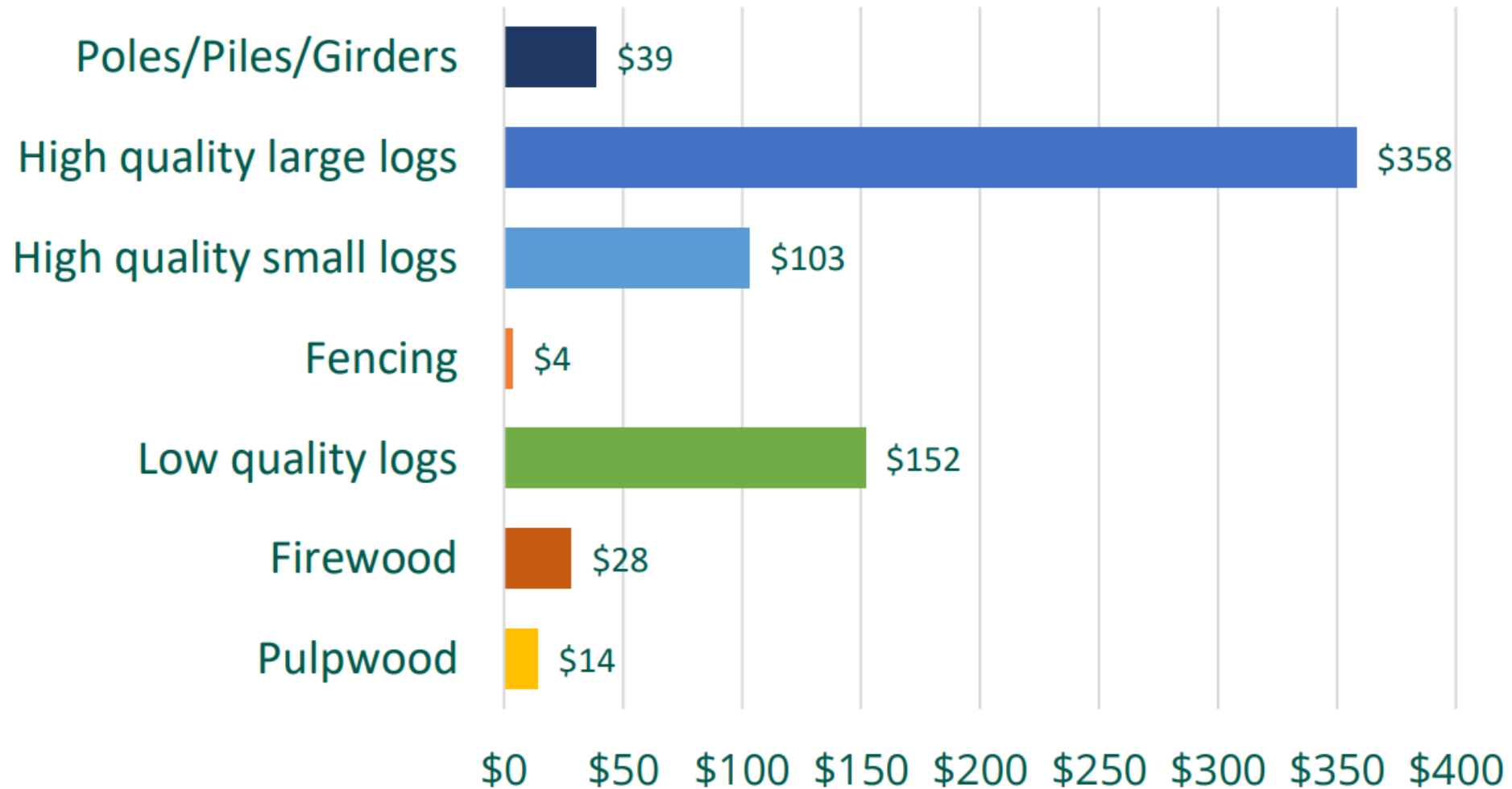


- Pulpwood
- Firewood
- Low quality logs
- Fencing
- High quality small logs
- High quality large logs
- Poles/Piles/Girders

Indicative yield by log type - 17.5 m³/hectare

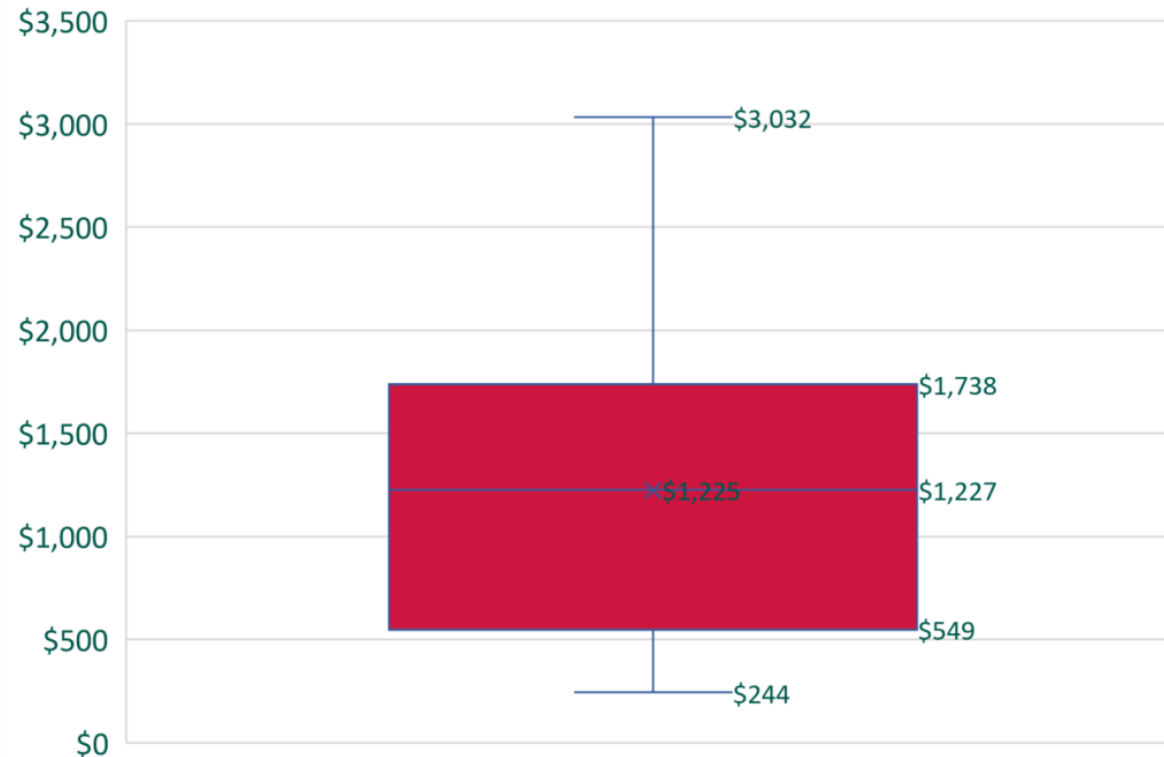


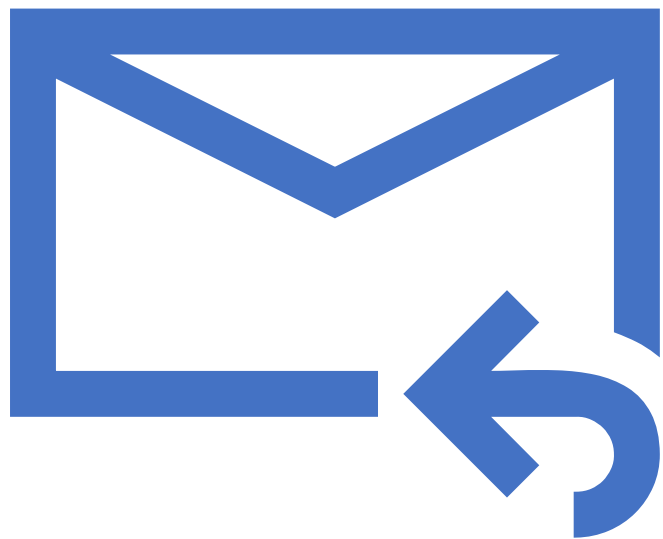
Indicative revenue by log type - \$1,225/hectare



Total log revenue - median value is \$1,225 per hectare

- Total revenue from all log products after costs (\$s per hectare)
- Sample based on 20 north coast properties





THANK YOU

- nenswforestryhub.com.au
- manager@nenswforestryhub.com.au