

Heartwood News

Hardwood Plantations

Time for the Victorian Government to get serious



There has been a lot of media interest in the future of the Victorian Forest Industry in recent weeks on the back of the highly publicized peace talks in Tasmania. This has included the usual banter about job losses from industry representatives versus forest devastation from environmentalists. However, one area of agreement seems to be the need for hardwood sawlog plantations. Even some environmental groups are now concluding that unless these hardwood sawlog plantations are grown, an exit from native forests is problematic. To exit prematurely would ruin any transition opportunities for the existing industry, potentially leading to a loss of skills and important infrastructure for the long term. In addition, a premature exit would place further pressure on imports potentially encouraging illegal logging and increasing our \$2 billion deficit in forest products.



The consensus for a transition (or partial transition) from native forests to plantations seems to be the most logical route to take. However, major investment has evaded hardwood sawlog plantations in Victoria. The common response is that they are considered “high risk”. Sadly, very little public investment in R&D has been made to try and reduce this risk. If wisdom prevails and the new Victorian government does look seriously at encouraging hardwood sawlog plantations, those of us who have already invested in this sector will thankfully be one step ahead.

Welcome

to the third edition of our newsletter.

Heartwood News has been created to keep you informed of activities within our organisation and the broader forest and timber industry.

Heartwood Plantations is a vertically integrated forestry and timber sales organisation. For more information or to contact us visit or website at: heartwoodplantations.com.au

Seasons Greetings

Jon Lambert.



TIME TO GIVE FIRE PREVENTION A THOUGHT

During the 2010-11 summer it is important that all plantation owners undertake fire prevention activities. With record grass growth being witnessed in most parts of Victoria this spring - summer, fuel loads within plantations are extremely high. The following activities are recommended:



Picture - seeing the trees for the grass

1. **Grazing** is the most effective method of reducing fuel among trees however, in cases where grass has exceeded stock height, slashing will generally be required.

2. **Fire breaks** are essential around the perimeter of plantation compartments. These should be a mineral earth break created through soil cultivation, grading or herbicide spraying.

3. Plantation **Insurance** can be accessed for fire, wind and hail. Recommended companies are:

Rural Affinity (Alex Cohn - 02 9496 9303)

Insurance Facilitators (Darryl Hawke - 07 54358652)

HIGH-VALUE HARDWOOD DEMAND GROWS

As Australia's economy limps along and the forest industry faces some of its darkest days, the demand for high-value hardwood continues to accelerate. Our processing and marketing division, Radial Timber Sales, has now experienced 6 record sales months in a row!

The highest demand has come from external appearance products such as shiplap (cladding), screen boards and decking. These products are in very high demand for modern design housing. The species used for these products are predominantly silvertop ash, yellow stringybark and southern mahogany.

Perhaps the greatest concern is meeting the future wood supply for these products. As demand continues to grow from the housing industry, native forest wood supplies continue to retract. Plantation resources are still at least 15 years away from taking up a proportion of this demand. Further compounding the problem is the fact that new resource investment has ground to a halt on the back of the global financial crisis and the uncertainty surrounding carbon markets.

New models and incentives are urgently needed to stimulate further investment into this sector of the forest industry. Hopefully 2011 really will be the year of decisions and delivery!



Picture - screen board application

DID YOU KNOW?

Heartwood Plantations' operations division will be consolidating in one office location from 2011. Our South West Victoria office will be closing after 9 years and Jon Lambert will be re-locating to Gippsland. Services to clients in Western Victoria will remain unchanged with regular travel to the region throughout the year. New phone contact details for Jon will be made available in due course. All future correspondence should be sent to Heartwood Plantations PO Box 1076 Warragul, Victoria 3820.