

# MARKETS and TREE BREEDING

## NZDFI Webinar

Marlborough Research Centre

Wednesday 3<sup>rd</sup> December 2025

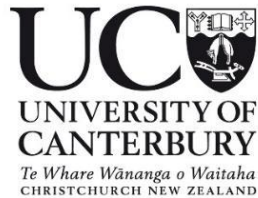
Paul Millen and Ruth McConnochie

## NZDFI Partners since 2008



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Te Rito Hiranga o Wairau

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Australia's Great Koala National Park  
presents market opportunity  
for NZ eucalypt forest growers

# Presentation overview

1. Sustainable harvesting closures from Australian public native forests.
2. ABARES native forests and wood production report – July 2025.
3. Gippsland (SE Victoria) forests November 2024 tour.
4. Heartwood Plantations/Radial Timbers visit.
5. Australian Sustainable Hardwoods visit.
6. Gippsland regional forestry hub plans and forestry grants.
7. The opportunity for NZ's forest growers.





September 2025 - New South Wales State Government proposed the boundaries for a Great Koala National Park.

176,000 hectares of state forest added to existing National Parks with an immediate ban on timber harvesting within these areas.

Government estimated 300 job losses and six of twenty-five mills closed.

Industry representatives predicted greater job losses and negative impacts on rural economies and communities.



# Great Koala National Park grants for NSW's Forest Industry Supply Chain Support Programmes

October 2025



## Business Grants

Access state and/or federal funding to grow your business!

Enews has partnered with a professional grant writing business. Watch this space as not all grants are made public. We will publish grants for various states/

territories for our industry here in Enews.

Our connection might be available to assist you with eligibility criteria, grant writing, application process and

lodgement. They have a high success rate, so contact us if you would like to make an appointment. Contact: editors@timberandforestrynews.com

### GKNP - Grant closing soon

FOR businesses impacted by the announcement of the GKNP, this grant may provide some assistance but you need to act now as it is closes on Dec 8 and there is a limited pool of funds! If you need assistance, contact us and we will arrange for a free consultation with our grant advisor.

#### FORESTRY INDUSTRY SUPPLY CHAIN SUPPORT PROGRAM

Supports businesses impacted by the moratorium on timber harvesting within the proposed boundary of the Great Koala National Park.

The objectives of the Program are to provide financial support to impacted businesses that have had the majority of their hardwood or by-product supply cut from sawmills that have had a reduction in their wood supply as a consequence of the moratorium on harvesting in the Great Koala National Park.

The required outcomes of the Program are that impacts on the operations of impacted businesses are reduced by the financial support provided by this Program.

The scope and types of



The moratorium on timber harvesting in the GKNP has deeply affected businesses. This grant will assist some of those most affected by the announcement. Image: Shutterstock

on impacted businesses of hardwood and by-product goods and freight, reducing the immediate financial burden caused by supplier impacts.

To be eligible for grant funding, applicants must meet all of the following requirements:

- You are an impacted business that (directly or indirectly) sources at least 50% of hardwood or by-products from a sawmill or contractor that has had the majority of their hardwood or by-product

the Great Koala National Park

- You have a contract, agreement or other supporting evidence of supply (direct or indirect) from a sawmill or contractor that has had the majority of their hardwood or by-product supply cut through reduced wood supply agreements as a consequence of the moratorium
- You operate as a sole trader, partnership, trust or company in Australia
- You have an active Australian

#### GRANT DETAILS

**Provider:** NSW Rural Assistance Authority  
**Amount:** Up to \$100,000

#### ROUND 1

**Opens:** 7 October 2025

**Closes:** 8 December 2025

**Location:** NSW

#### Who Can Apply:

Businesses impacted by GKNP moratorium

**Co-Contribution Required:** None specified



A similar harvest ban came into effect from January 1st 2024 across the state-owned native forests of both West Australia (WA) and Victoria

23/10/11/timber-closure-leaving-impact/

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A MAFPIA SPOTLIGHT

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**Timber closure leaving impact**

11/10/2023

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Timber towns such as Heyfield are counting down the days until the state government's decision to end native timber harvesting is reached at the end of the year. Photo: File

Philip Hopkins


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### End of WA's native timber logging final blow for jarrah and marri furniture maker

ABC South West WA / By Georgia Loney  
Posted Fri 21 Oct 2022 at 3:44pm



Furniture maker James Howieson with a large timber table. (ABC South West: Anthony Pancia)

abc.net.au/news/native-timber-logging-en... Copy link Share article

#### Top Stories

Scott Morrison and Josh Frydenberg were friends, colleagues and housemates. But there was something the PM had not told his treasurer

Home Affairs contracts awarded to companies with suspected links to drugs, firearms and bribery

**LIVE**

Kelce launches tirade at coach as Chiefs look to overcome fumble problems against 49ers in the Super Bowl

Our 'Aldi tax system' for a 'Coles or Woolies budget' can't last forever — but the solution isn't easy

Barnaby Joyce says late-night lie down 'a big mistake'

**Analysis by John Lyons**

The horrors facing Gaza's surviving children are unspeakable. How can

# Forestry Australia Symposium (29-31 October 2024)

*Healthy and resilient forests for our future*

I attended and on the first morning there was a 'anti-logging; pro koala' protest outside the conference venue.

The proposed NSW koala national park was already in process.



What are the impacts from the end of sustainable harvesting?





JULY 2025

# ABARES Insights

ISSUE 5 | JULY 2025



## Australia's native forests and wood production

Australia's diverse native forests are valued for a wide range of benefits and services that they provide, including wood products. Around 0.05% of Australia's native forest area is harvested annually from our publicly owned multiple-use forests to sustainably produce important wood products such as house frames, decking, flooring, furniture, power poles, pallets, packaging and paper. Australia's native forests managed for wood production support diverse and unique biodiversity and have an important part to play in the fight against climate change. Australia's native forest wood products industries face some significant challenges including diminishing supply, climate change and government policy settings.



131.5 million hectares of native forest and woodland.

About 90 million hectares on private and leasehold land.

22 million hectares in conservation reserves.

10 million hectares on multiple-use public land.

27.4 million hectares were available and suitable for sustainable harvest on leasehold, private and public forest in 2021.

Sustainable harvesting is permitted in public forest designated for multiple use.

Fig 3: The area of Australia's multiple-use public native forests permitted for sustainable harvesting in 1996 was 10 million ha and only 4.3 million ha in 2021.

Fig 4: Approx 65,000 hectares harvested in public multiple-use forests in 2021. Most of this area (86%) was 'selectively' harvested.

Figure 3: Area of multiple-use public native forest where wood harvesting is permitted is declining

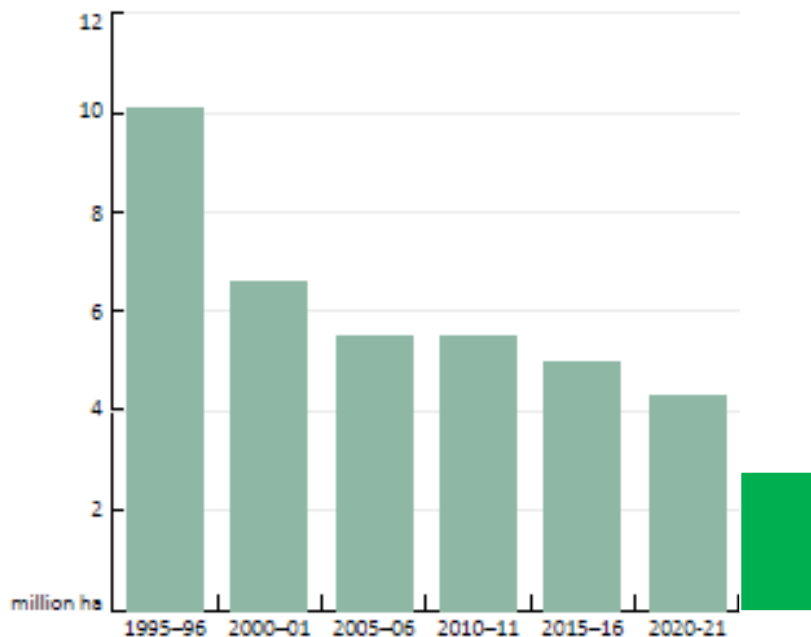
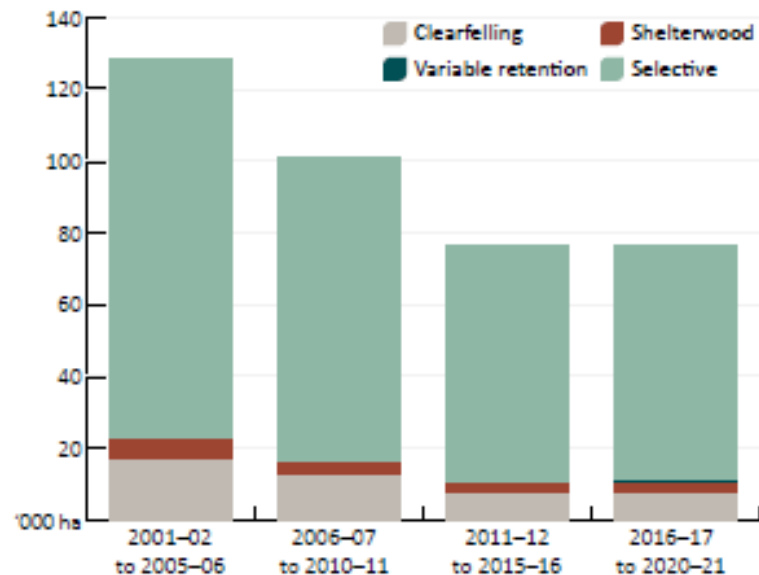


Figure 4: Selective harvesting is the most common method



The end of sustainable harvesting in multiple-use public native forests in Victoria and Western Australia from 01 January 2024 reduced this area to 2.8 million hectares.

Fig 5: The average annual volume of sawlogs, pulplogs and other hardwood products harvested from Australia's native forests during the period 2016-17 to 2020-21 was 3.9 million cubic metres.

This is about a third of the 10.3 million cubic metres harvested annually during the 1996-97 to 2005-06 period.

The average annual value of the native forest harvest in Australia has reduced by over half in real terms to \$416 million (in \$2020-21) over the same period (*i.e. previously \$1 billion*).

In 2022-23, the total native forest harvest reduced further to 2.5 million cubic metres. (*assume \$250 million*)

Figure 5: Harvest volumes from publicly managed and private native forests have fallen

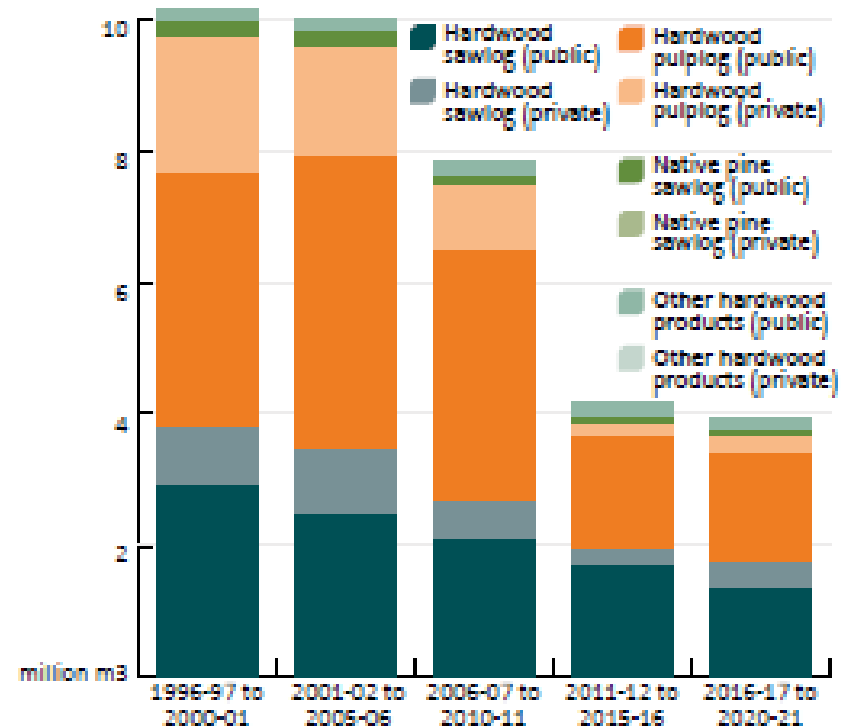


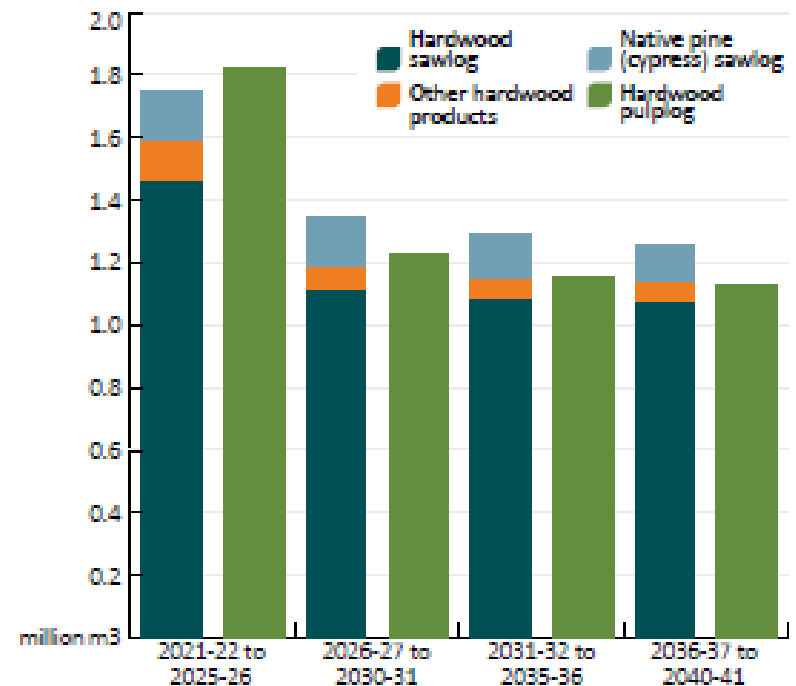


Fig 9: Wood supply from Australia's native forests has been steadily decreasing over the last 20 years, and this trend is expected to continue with the end of sustainable harvesting in multiple-use public native forests in Victoria and Western Australia from 2024.

There is an opportunity for private native forest owners, however, there is uncertainty as to what extent this resource can supplement current supply levels.

While there are around 200,000 hectares of hardwood plantations in Australia, these can't fully replace native forest hardwood sawlog supply because the large majority are *E. globulus/nitens* plantations.

Figure 9: Annual log supply from Australia's native forests is predicted to decline further




# Forest Inventory for private native forestry, farm forestry and indigenous forestry

## ABARES Farm Forestry Report 22.07 April 2022

- 73,400 hectares held by 3,000 landowners.
- Tasmania 45,600 ha (32,800 ha *E. nitens*, 7,300 ha *P. radiata*  
& 900 ha *E. globulus*)
- Victoria 10,700 ha
- New South Wales 9,000 ha
- Queensland 3,800 ha
- Western Australia 3,200 ha
- South Australia 1,000 ha
- Not a complete inventory.
- Doesn't compare with 1.8 million hectares of corporate owned radiata pine (90%) and eucalypt pulp plantations.

# November 2024 Tour of Gippsland

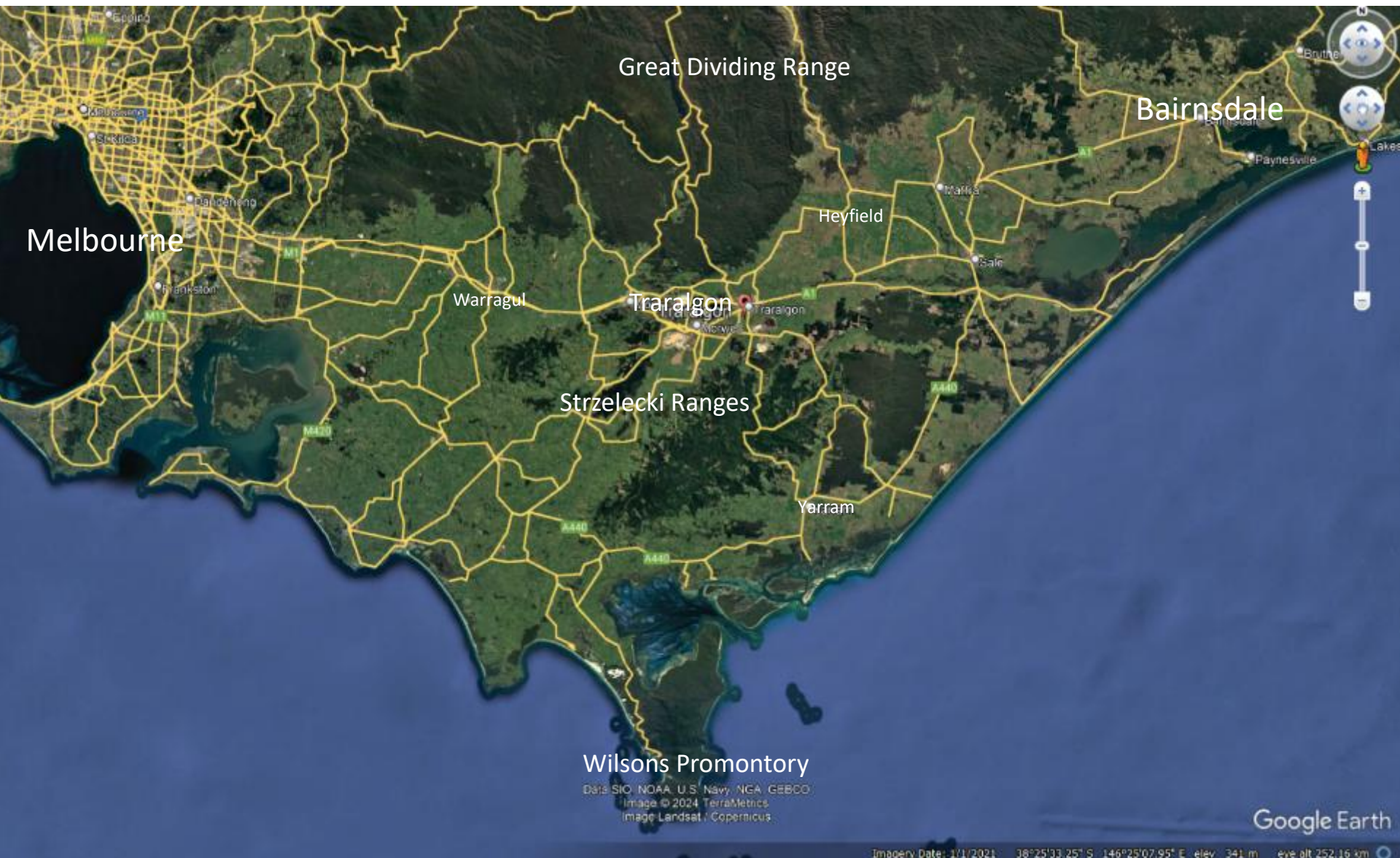
## The south east region of Victoria

A satellite map of Australia showing the continent's topography and surrounding oceans. A red circle is drawn around the location of Traralgon in the south-eastern part of the continent. The text "Traralgon is the same latitude as Rotorua (38 degrees South)" is written in white, with the word "Traralgon" inside the red circle.

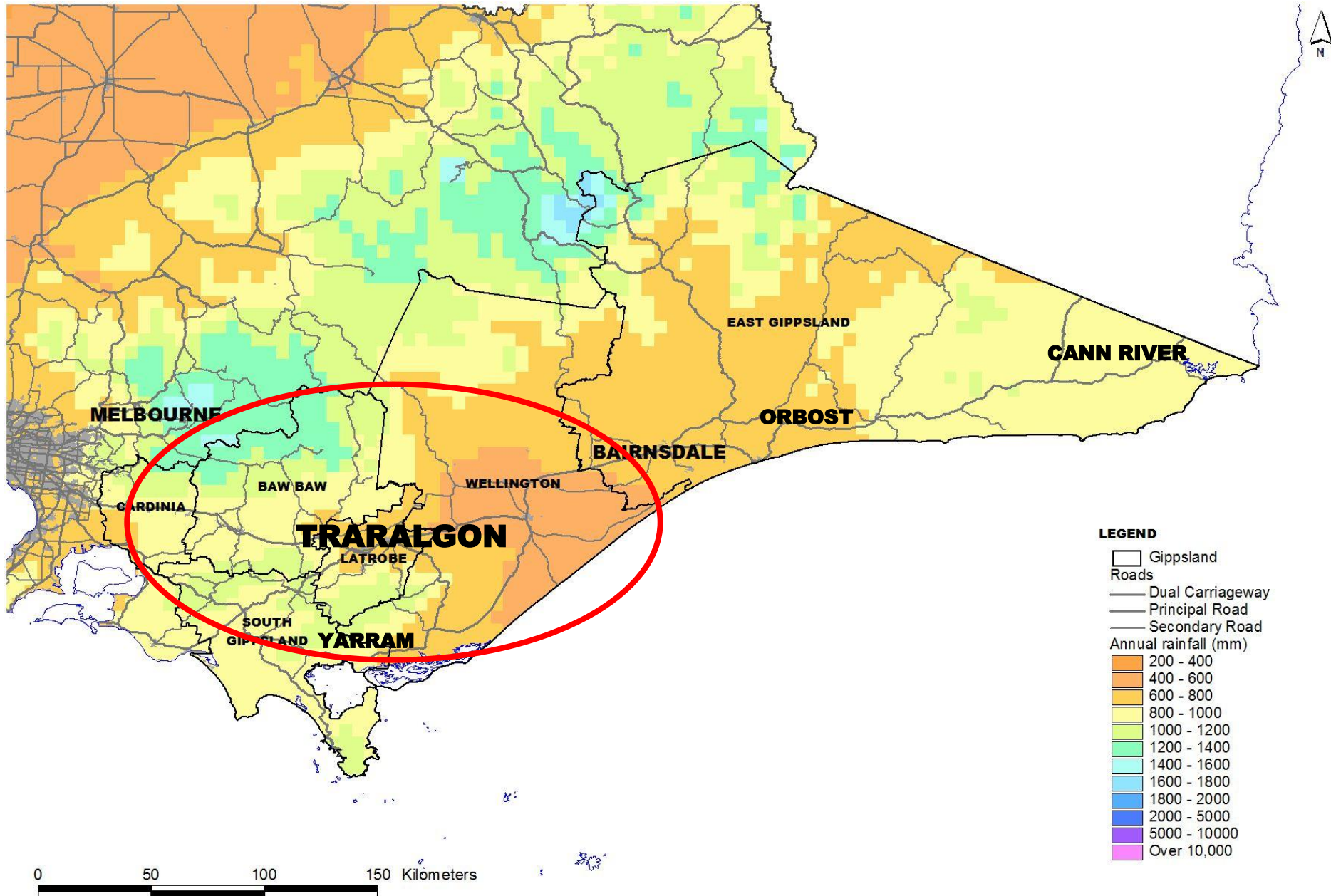
Traralgon is the same latitude as Rotorua (38 degrees South)



# West & Southern Gippsland region



# Gippsland's annual rainfall





# Contribution of forestry to Gippsland in 2021

## Current forest area

**1,430,000** hectares of native forests

**90,000** hectares of plantations

**80%** softwood

**20%** hardwood

## Managed natural areas

Clearing of native vegetation on freehold land has resulted in a loss of 86% of the pre-European settlement cover (WGCM, 2003)

About 20% of land within the MVR plantation estate in Gippsland is natural forest.

Of the 1.43m hectares of native forests, 2,560 hectares were harvested in 2020 (0.002%).

## Value

It has not been possible to obtain a current value estimate of forestry in Gippsland. The image below from Food and Fibre Gippsland makes no mention of the 90,000,000 trees in commercial plantations.



## Jobs

**3,400** people directly employed



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# Gippsland native forests

*E. regnans* & *N. cumminhamii* in higher altitude north mountains and higher altitude/high rainfall areas of Strzelecki Ranges.

Now all closed to harvest and mill at Nojee closed in 2024. Tourists only.





# Gippsland native forests

*E. bosistoana*, *E. tricarpa*, *E. muelleriana*, *E. globoidea* along with other species in lower altitude northern foothills and low altitude/low rainfall areas of Strzelecki Ranges and wider central and southern Gippsland. Also all closed to harvest...some areas badly burned in 2019/20 fires.



# Koala population in Victoria's Forests



Australia's National  
Science Agency

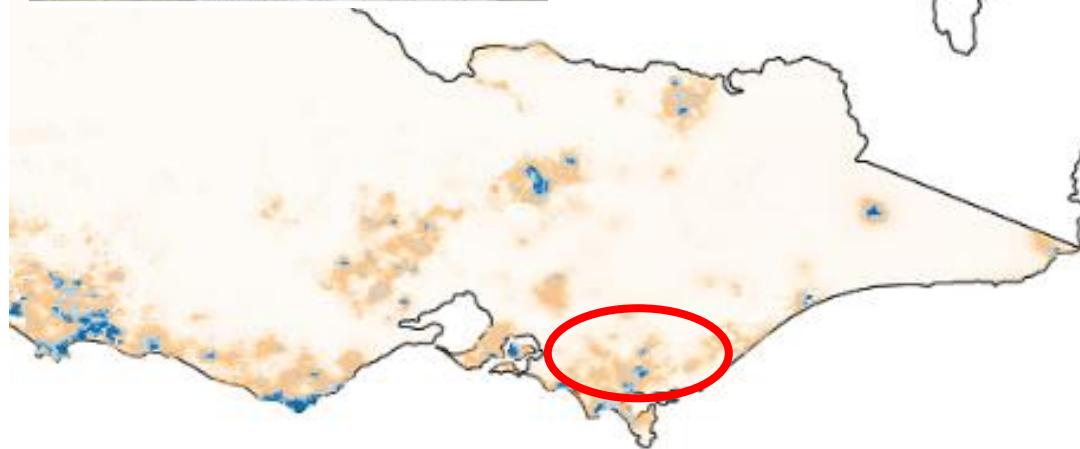
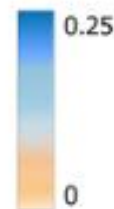
## 2024 update of National Koala Population estimates

Supporting documentation for the  
2024 update of the NKMP National  
koala population approach

15 April 2024



Predicted Probability  
of  
Koala Presence



CSIRO's 2024 median estimate of the koala population in Victoria and South Australia is between 303,000 and 381,000 individuals, an increase from previous years. As a comparison, NZ's possum population is estimated to be around 30 million i.e. 100:1



# Gippsland plantations

*P. radiata* & *E. globulus/nitens* plantations in low to higher altitude/drier rainfall areas of Strzelecki Ranges. Bulk of these plantations owned by HVP who are replacing eucalypts with pine due to koalas. Some smaller farm forestry blocks.





# Heartwood Plantations, Yarram

Established by Jon Lambert in 1995, Heartwood Plantations provides professional forestry services to establish and manage around 3,000ha across Gippsland.

Partnership with saw milling and timber sales company Radial Timber Australia owned by Chris McEvoy. Holman Road plantation production thinning. Firewood delivered to Melbourne is sold for \$250 per tonne



## Processing Young Eucalypts: Radial Sawing



Conventional Sawing





## Plantation Sawlog Processing Trial



### Background

- 2019 Vic Gov planned end of native forest logging by 2030 (ended 2022)
- Planned transition to plantation & private native resource brought forward
- Trial to assess recovery & quality of plantation class 1 & 2 durable timber verses public forest resource
- Expect plantation timber to have less defect (pruning) and possibly less density

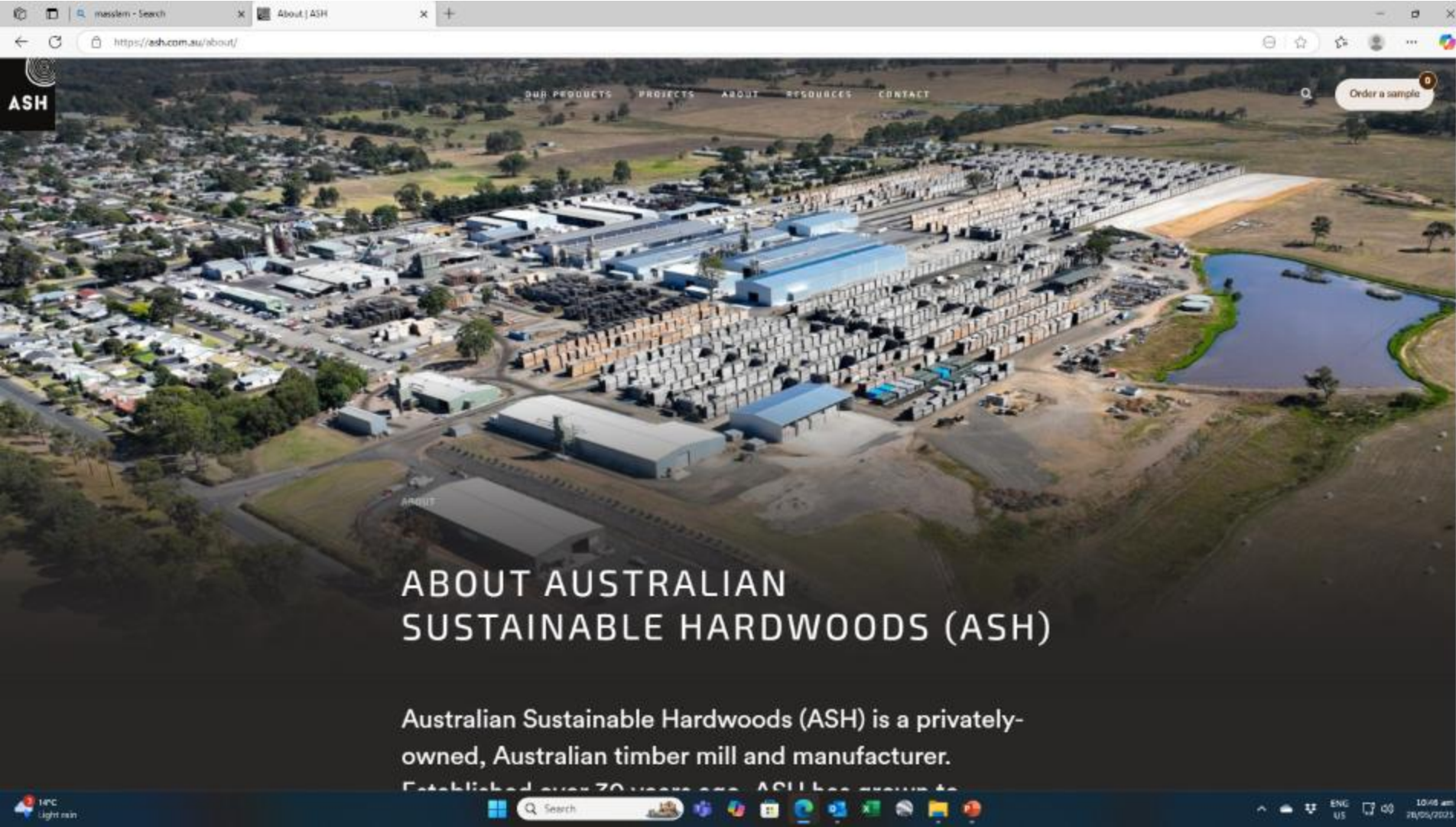
# Radial Timbers, Yarram

Grows, mills and distributes a range of products from durable Victorian Hardwoods. Specialize in Timber Decking, Screenboards, External Cladding, Internal Lining and Natural Edge Weatherboards. Also added spindle –less lathe. Log prices AU\$ - A. \$190-250; B \$140; C \$120; D \$110





# Australian Sustainable Hardwoods, Heyfield



The screenshot displays the homepage of the Australian Sustainable Hardwoods (ASH) website. The background is an aerial photograph of a large industrial facility, likely a timber mill, situated in a rural area with a body of water to the right. The facility features numerous large, light-colored buildings and extensive stacks of processed timber. A navigation menu at the top includes links for 'OUR PRODUCTS', 'PROJECTS', 'ABOUT', 'RESOURCES', and 'CONTACT'. A search bar is located in the top right corner, and a button labeled 'Order a sample' is visible. The main heading 'ABOUT AUSTRALIAN SUSTAINABLE HARDWOODS (ASH)' is prominently displayed in white text over the dark background of the image. Below this, a paragraph states: 'Australian Sustainable Hardwoods (ASH) is a privately-owned, Australian timber mill and manufacturer. Established over 70 years ago, ASH has grown to...'. The browser's address bar shows the URL 'https://ash.com.au/about/'. The Windows taskbar at the bottom indicates the system time as 10:05 am on 7/10/2025, with weather information showing 14°C and light rain.

ASH

OUR PRODUCTS PROJECTS ABOUT RESOURCES CONTACT

Order a sample

## ABOUT AUSTRALIAN SUSTAINABLE HARDWOODS (ASH)

Australian Sustainable Hardwoods (ASH) is a privately-owned, Australian timber mill and manufacturer. Established over 70 years ago, ASH has grown to...

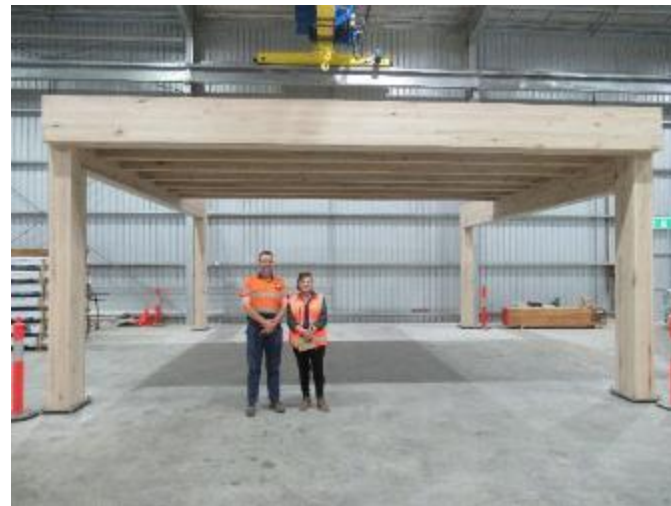
14°C Light rain

Search

ENG US 10:05 am 7/10/2025



Sole owner since 2017 is Vince Hurley. After closure of native forests ASH purchased a green mill in Tasmania and secured long term supply contracts with both private native forest owners and E. nitens plantation owners, some pruned. Log price between \$200-250 per tonne. Green mill slabs logs, packs and sea freight to Geelong, then transport to Heyfield at cost of \$100 per tonne.



Dry mill includes large high tech CNC wood manufacturing systems both German (Hundegger) equipment and Australian made. Major product is 'Masslam' range of glue-laminated timber systems including hardwood beams, columns, panels, floors and roof structures. All R&D completed in house under direction of company design engineer.





Products are branded:

Australian oak (*E. sieberii*, *regnans*, *E. delegetensis* & *obliqua* from native forests);

Plantation oak (*E. nitens*) and Glacial Oak (Imported American oak).





Recently established an on site ASH retail display centre to extend to the customer. Currently supplies a range of products to almost 400 Australian Bunnings store. Lots of opportunities to use automated CNC manufacturing and coating systems to create huge range of products.



## Vince Hurley comments of species

- *E. bosistoana* is the best species in Victoria. My father was in the sawmilling business and I started there when I was 14 years old. This was a great timber tree.
- *E. globoidea* timber is pretty good, similar to *sieberii* and *muelleriana* for durability but not as strong as *sieberii*. Also the trunk can be sinuous and the bark will carry a bushfire.
- *E. sieberii* (Silvertop ash) has good color and timber properties to work with and should be planted as koala's don't eat it and the bark less likely to burn than stringybarks.
- *E. fastigata* (Cut-tail) isn't worth growing. It was often left in the bush as it spilt too much.
- *E. nitens* is a prick of species for wood manufacturing. But we have managed to make it work. Marketing it as plantation oak makes it popular to many customers.
- Red timbers are not highly sought after. A new wave of interest comes around every 15 years but that doesn't last as it's the blond/straw colored timbers that are most popular.

# Australian Sustainable Hardwoods, Heyfield

[About | ASH](#)



# Gippsland Forestry Hub established in 2018 with Federal Government funding

**Vision** - *to work with industry and stakeholders to develop and implement solutions for the forest and forest products sector for today, tomorrow and the next 30 years.*

- Fibre security for a thriving industry.
- Innovation for a world class sustainable industry.
- A trusted and reliable source of information.
- Contributing meaningfully to Gippsland's community and economy.



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Australian Government  
Department of Agriculture,  
Fisheries and Forestry

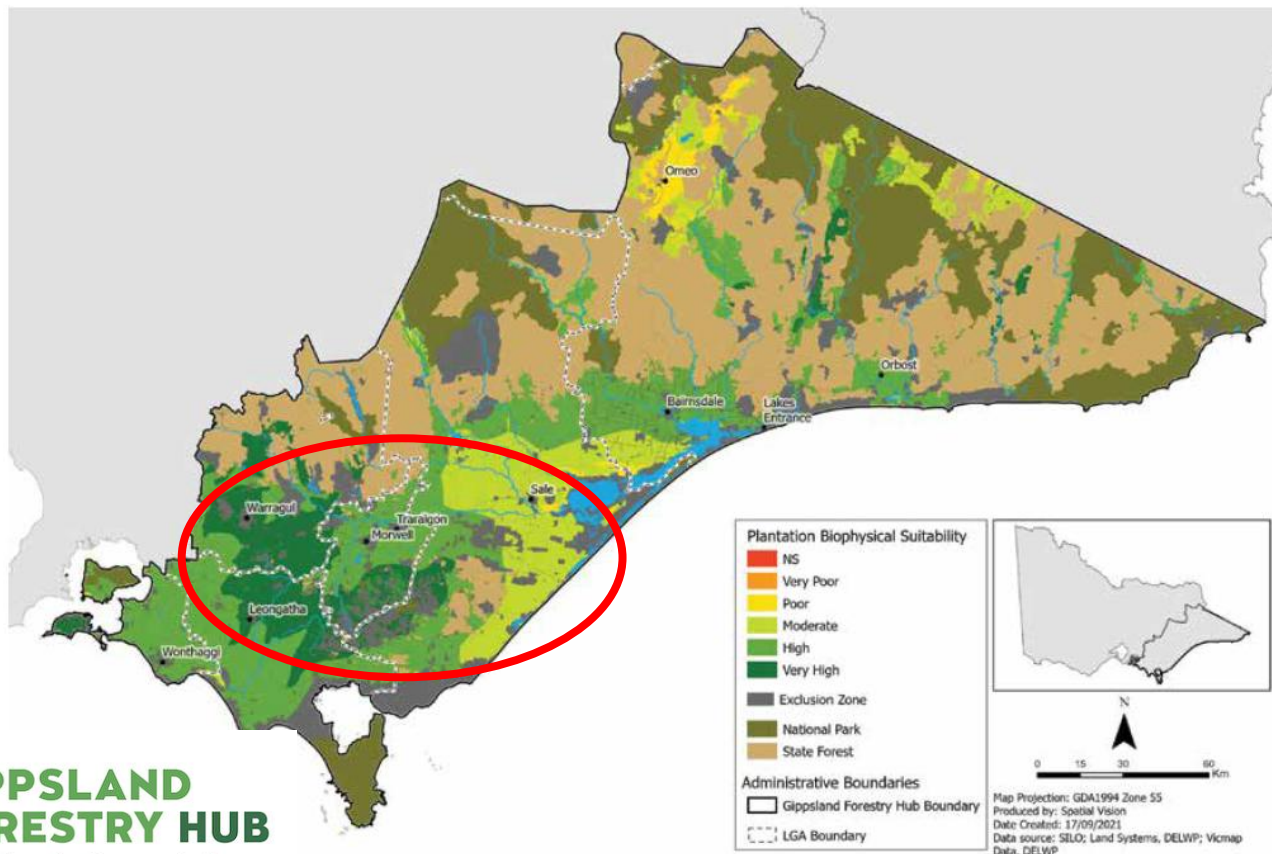
# 'Investing in Gippsland's Sustainable Forestry Future'

(PF Olsen 2022 report)

7a

## Gippsland Forestry Hub - Land suitability Project

Biophysical Constraints - Suitability  
2010 - 2019 Climate Data



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# ‘Investing in Gippsland’s Sustainable Forestry Future’ (PF Olsen 2021 report)

Local Government Area	Area by Suitability Class (ha)					Grand Total
	Very Poor	Poor	Moderate	High	Very High	
Wellington Shire	72	7,947	182,774	163,409	30,550	384,752
East Gippsland Shire	892	41,375	98,308	180,027	17,216	337,818
South Gippsland Shire			276	132,053	70,236	202,565
Baw Baw Shire		5	81	36,609	82,639	119,333
Latrobe City		2	398	58,151	35,070	93,621
Bass Coast Shire			521	53,843	3,632	57,996
<b>Total</b>	<b>964</b>	<b>49,329</b>	<b>282,359</b>	<b>624,092</b>	<b>239,342</b>	<b>1,196,086</b>



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Investing in Gippsland's Sustainable Forestry Future |

**AGRICULTURE VICTORIA now offers forestry grants but no  
regional native durable hardwood planting strategy**

Victorian Plantations Support Program; Victorian Trees on Farms Program;  
Trees on Farms Incubator program; and the Gippsland Farm Forestry Grant Program.

# ‘A History of Plantation Species in Gippsland ‘

(Sylva Systems 2024 report)

## ‘A new kid on the block’: new species for the region

Will require alternative supply chains and markets where cannot supply into existing markets. Markets for thinning are critical.

- Fully commercial: None through to final harvest & routine supply.
- Wood properties: Not proven.
- Improved genetics: Some proprietary owned under development.
- Form: Issues with tree form for *E. botryoides* & *E. bosistoana* noted.

Productivity: Species with potential; *E. bosistoana*, *E. botryoides*, *E. cladocalyx*, *E. muelleriana*, *E. sieberi* & *C. maculata*.



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Australian Government  
Department of Agriculture,  
Fisheries and Forestry



## Australian Forests and Wood Innovations (Federal Government) are funding two projects

- *A new, integrated forestry approach for increasing Australia's wood supply and natural capital in regional agricultural landscapes.*
- *A feasibility assessment framework for regional investment in integrated medium-scale production and processing of native hardwood timber.*
- In both cases, Gippsland will be the project region.
- Principal industry partners are Heartwood Plantations and Radial Timbers working with various Universities and Victoria state government.

Thanks to the following people of Gippsland for their advice and/or hosting me on my visit.

- Lesia Goodwin, Gippsland Forestry Hub
- Braden Jenkin, Sylva Systems Pty Ltd
- Chris McEvoy, Radial Timbers
- Tony Britton, Radial Timbers
- Jon Lambert, Heartwood Plantations
- Joanna Lewis, local forester
- Vince Hurley, Australian Sustainable Hardwoods
- Wally Notman, Department of Energy, Environment and Climate Action
- Peter Devonshire, Gippsland Agroforestry Network
- Also thanks to Timber and Forest eNews for their reporting on the native forest harvesting challenges facing the Australian industry.

## Implications for New Zealand durable eucalypt growers.

- A hardwood log supply chain economics project is needed to evaluate the commercial logistics and economic value from New Zealand forest to SE Australian processor.
- NZ's mature durable eucalypt resource is located in Northland where there is local expertise in eucalypt logging and it is well served by the Marsden Point port.
- Need to partner with Australian sawmillers to buy logs or slabbed logs.
- New Zealand forest growers could invest in durable eucalypt plantations to produce hardwood for export to Australia.



# What strategic advantages do NZ forest growers have?

1. NZDFI's durable eucalypt tree breeding and research programme.

Check out NZDFI's web site [www.nzdfi.org.nz](http://www.nzdfi.org.nz)

2. NZ Farm Forestry Association.

Check out the web site [www.nzffa.org.nz](http://www.nzffa.org.nz)

Become a member!



3. No koalas!



New Zealand plants 60,000ha of eucalypt forest to supply a multi-regional sustainable durable hardwood industry worth over \$1 billion annually by 2050.

## NZDFI's goals:

12 wood supply catchments of 5,000ha  
planted by 2050 in NZDFI target regions.

Wood-supply catchments centred on suitably zoned 5 ha industrial hub for future small-to-medium sized hardwood processing business.

Indicative catchment boundary – forests planted within 40km radius of the planned processing site.

Good road/rail/port connections for log supply and to transport hardwood products.

