



Forests NSW

Facts and Figures 2010–11



Forests NSW is a public trading enterprise
within NSW Department of Primary Industries

Forests NSW – A leader in safe, sustainable forest management

Forests NSW manages State forests to balance the way people use forests for timber production and recreation with the conservation of unique forest features like wildlife, clean water and cultural heritage.

In managing State forests, we undertake planting and regeneration operations, plan and manage harvest operations and market and deliver timber.

Forests NSW supplies forest products and services to a wide range of customers located within NSW, across Australia and overseas. We engage over 100 contract companies employing over 1300 people in the production and delivery of these products and services.

Along with traditional timber activities, we are expanding commercial business opportunities such as carbon sequestration and trading, wood-based renewable energy products and eco-tourism.

In undertaking these forest management services, we engage a workforce across many regional areas, building strong regional economies, with the timber industry contributing nearly \$1 billion to the NSW economy each year.



**INTERNATIONAL YEAR
OF FORESTS • 2011**

*Our mission is to be the
best and safest commercial forest manager in Australasia.*

Forestry statistics

Description	Australia	NSW	Forests NSW
Total land area (million ha)	770	80	2.2
Total population (million)	21	7	n/a
Forests as a percentage of land area	19%	33%	99%
Total forest area (million ha)	149	26.5	2.2
Native forest area (million ha) ¹	147	26.2	1.9
Native forest area in formal nature conservation reserves (million ha)	22	5.1	0.02
Area of forest not legally restricted from timber harvesting	113	19.9	1.5
Multiple-use public native forests (million ha)	9.4		2.2
Area of native production forest harvested annually ²	<1%	n/r	1.6%
Net plantation forest area (million ha)	1.97	0.37	0.26
Number of people employed in forestry and forest product industries ³	47 071	12 744	803
Net amount of carbon sequestered (million tonnes) by managed native forests per annum (e-CO ₂)	43.5	n/r	7.1
Value of turnover in forest products industries (million)	\$19 000	n/r	\$327

Description	Australia
Total exports of wood products	\$2.5 billion
Major exports to	Japan (30%), China (22%) & New Zealand (13%)
Total imports of wood products	\$4.4 billion
Major imports from	New Zealand (16%), China (15%) & Indonesia (8%)
Forests contribution to GDP	1%

¹ Includes native forest remnants within planted forest estate for Forests NSW

² Forest NSW only removes a proportion of the trees over the harvested areas, except in cypress pine forests (20% of total area reported)

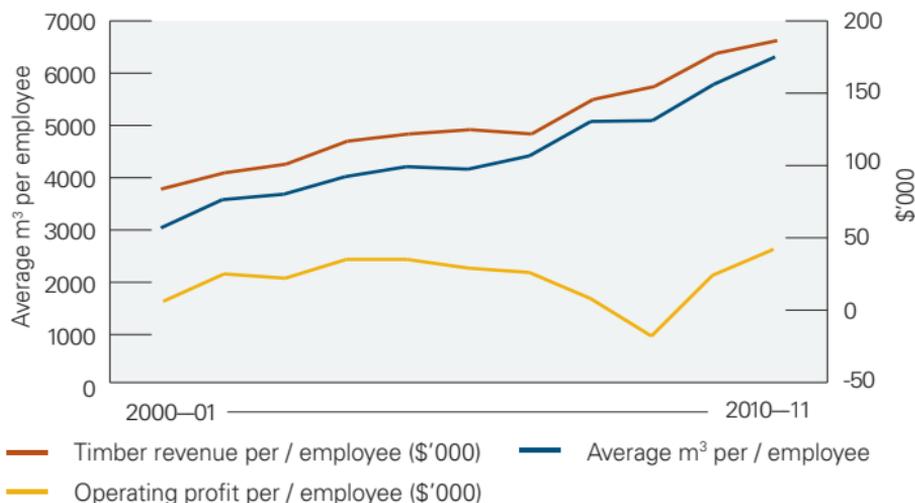
³ Based on forestry and primary processing industries selected from the 2006 Census data for national and state figures

Sources: ABARES, Forests NSW, DAFF State of the Forests Report 2008 and National Plantation Inventory Update 2009

Economic benefits

As a public trading enterprise, the revenue we generate, primarily from the sale of timber, funds the business. The profits are directed back to the NSW State Government as dividends.

Productivity measures



- Forests NSW generated a trading profit of \$34 million allowing:
 - \$10 million in debt and accrued interest to be paid off
 - \$14 million in dividend to be distributed to NSW Treasury
- 2.7 million m³ of sawlogs and 2.1 million tonnes of pulpwood supplied to industry
- More than 604 969 greenhouse gas abatement certificates created, representing the equivalent number of tradable tonnes of CO₂ stored

Timber production

	2008-09				2010-11
	Australia ¹		New South Wales ¹		Forests NSW
	'000 m ³	\$million	'000 m ³	\$million	'000 m ³
Hardwood native	7 739	582	1 441	128	1 021
Hardwood plantation	4 436	328	228	12	179
Cypress pine	197	18	62	nr	54
Softwood plantation	13 157	804	3 643	208	3 811
Total	25 529	1 732	5 374	348	5 065

¹ Source: ABARES

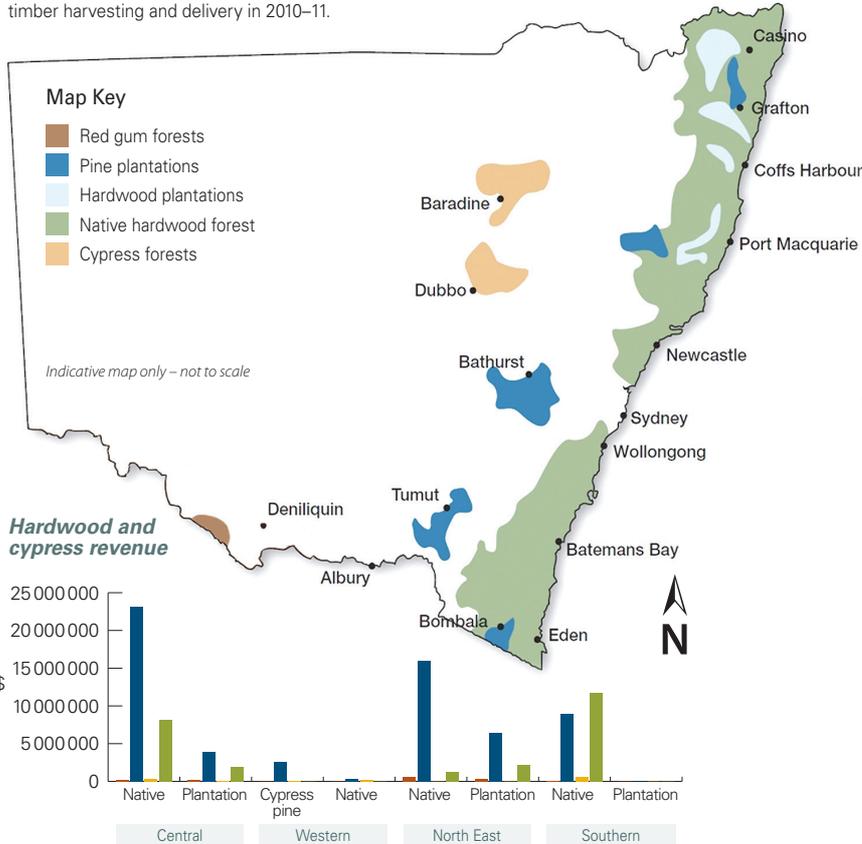
Uses of timber

Trees from NSW native and plantation forests make a wide-range of products. Timber from NSW State forests is certified sustainable and so consumers can be assured the timber products are coming from forests managed to internationally recognised standards. From spectacular flooring in Port Macquarie to wharf timbers in Bermagui, timber from NSW State forests can be found everywhere. In fact, one in four houses constructed in Australia are built using timber from our pine plantations.

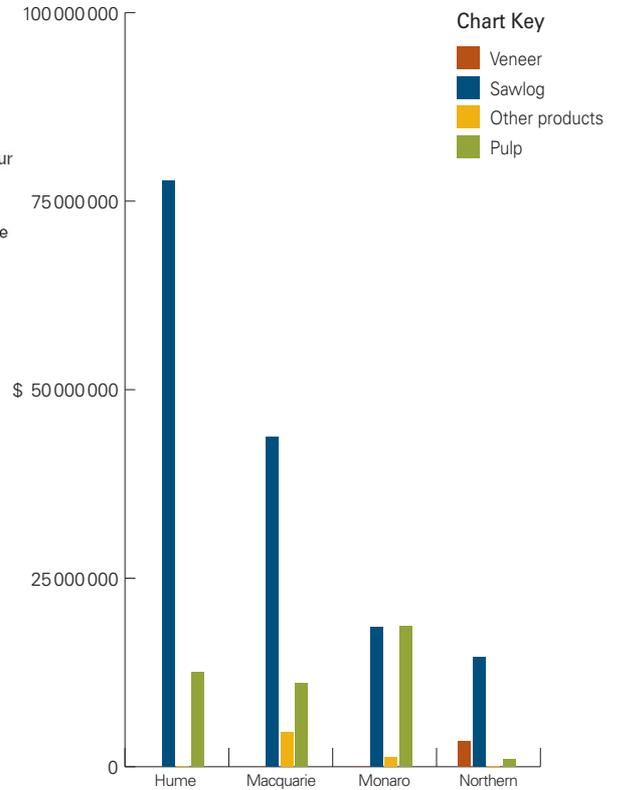
Area	Major species	Customer	Products/Services
Plywood	Softwood/ Hardwood	Big River Group	Plywood
Major sawmillers	Hardwood	Australian Solar Timbers, Big River Timbers, Blue Ridge Hardwoods, Boral Timber, Coffs Harbour Hardwoods, Davis & Herbert, Grants Holdings, Gunnedah Timbers/Baradine Sawmilling, Hurfords Building Supplies, Koppers, J Notaras & Sons, Thora Sawmilling, Newells Creek Sawmilling and SA Relf & Sons	Structural timber; flooring, furniture and joinery timber; plywood products
	Softwood	Carter Holt Harvey, Highland Pine Products, Hyne & Son, Tarmac, Dongwha, Allied Timber Products	Structural timber
MDF and particleboard	Softwood	Borg Panels, Carter Holt Harvey	Panel products
Woodchip and log export	Softwood/ Hardwood	Boral Timber Fibre Exports, Pentarch, South East Fibre Exports	International fibre markets
Pulp and paper	Softwood/ Hardwood	Norske Skog, Visy Pulp and Paper	Newsprint, cardboard
Investors	Not applicable	Agriwealth, Maslen Plantation Management and ST Microelectronics	Plantation investment
Utilities and infrastructure	Not applicable	Country Energy, Crown Castle, Optus, Telstra and Vodafone	Telecommunications and electricity supplier

Regional timber revenue

The two million hectares of NSW State forests are spread across eight regional areas. Together, these regions generated revenue of \$287 million from native and plantation timber harvesting and delivery in 2010–11.



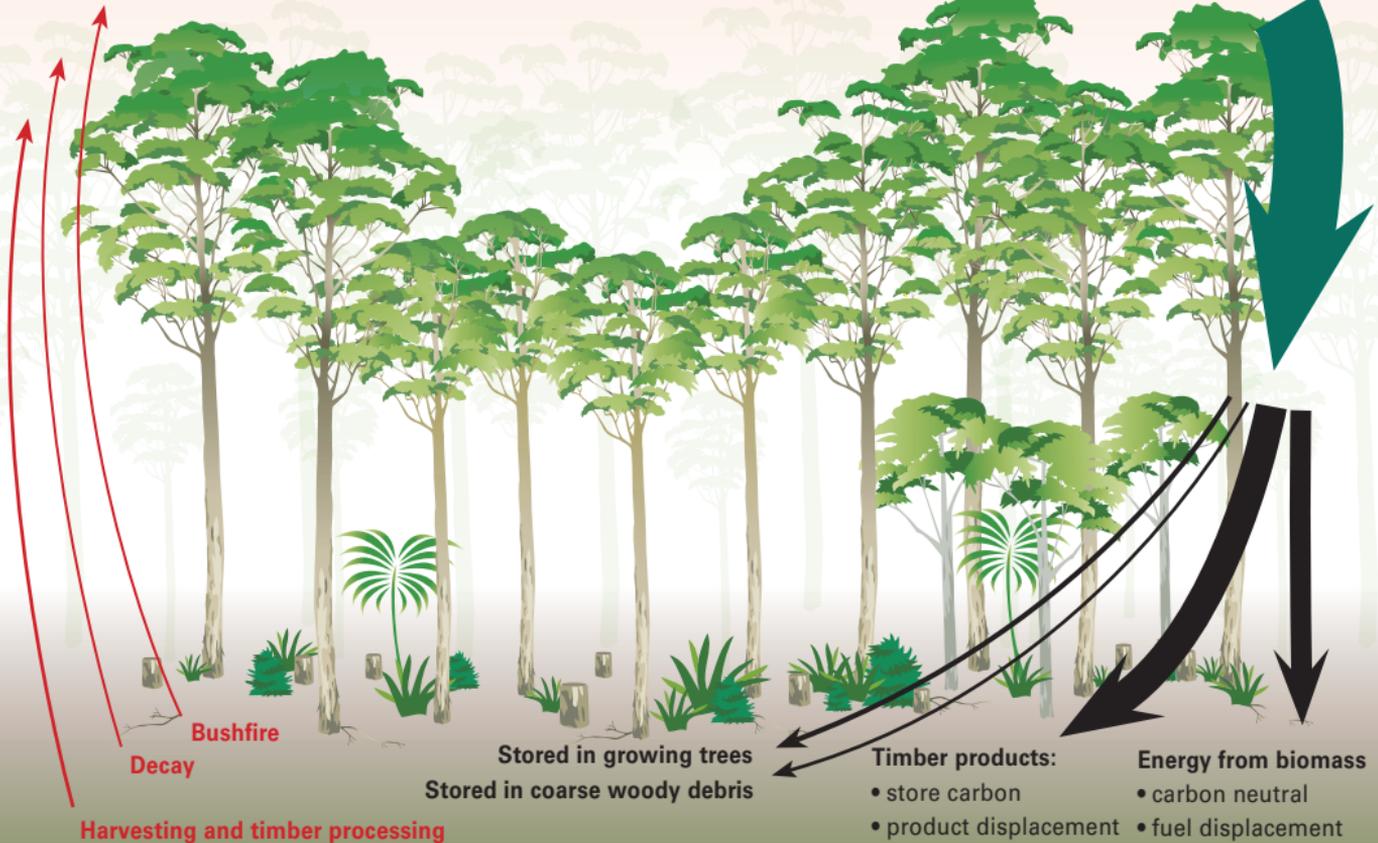
Plantation softwood revenue



Sustainably harvested forest

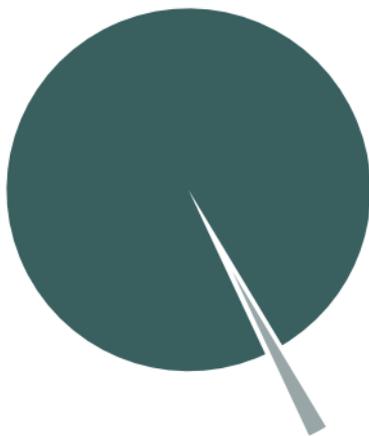
Carbon emissions

Carbon captured



Environmental benefits

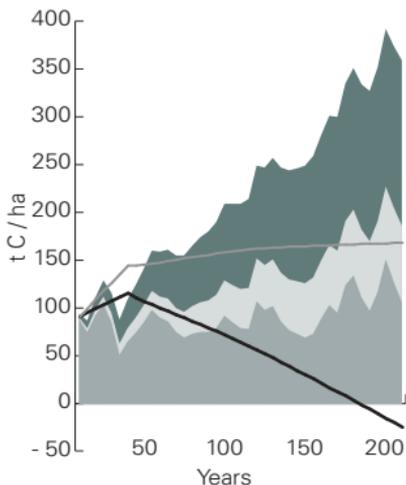
Area subject to harvesting



Only 1.64% of the total forest area was subject to harvesting during 2010–11. This is due to the strong environmental regulations Forests NSW adheres to, the complex planning process which precedes all operations and the sustainable nature of timber harvesting in NSW. This means no more timber is removed from the forest in any one year than can comfortably re-grow.

- 2.2 million hectares of State forests, of which 1.9 million hectares is native forests
- \$5.2 million spent on harvesting supervision and environmental compliance in native forests
- 71 targeted species with 1791 fauna sightings resulting in adaptive harvest or harvest exclusion applied
- \$5.8 million spent on fire prevention and control

Carbon in north coast native forests



This model excludes potential emissions due to wildfire. If included the carbon storage of the protected forests is much lower.

Cut forest

- Product substitution effect: Net carbon emissions avoided through using timber products compared to more emissions-intensive alternatives. If logging residue was efficiently utilised for biochar or energy, the net product substitution effect would be much greater.
- Carbon stored in products
- Carbon stored in retained trees and from all parts of harvested trees left in the forest.

No cut forest

- Carbon stored if the forests are not harvested.
- Net carbon stored: Net impact of not harvesting forests on carbon stocks, including the effect of substituting the sawlog products with more emissions-intensive alternatives.

Social benefits

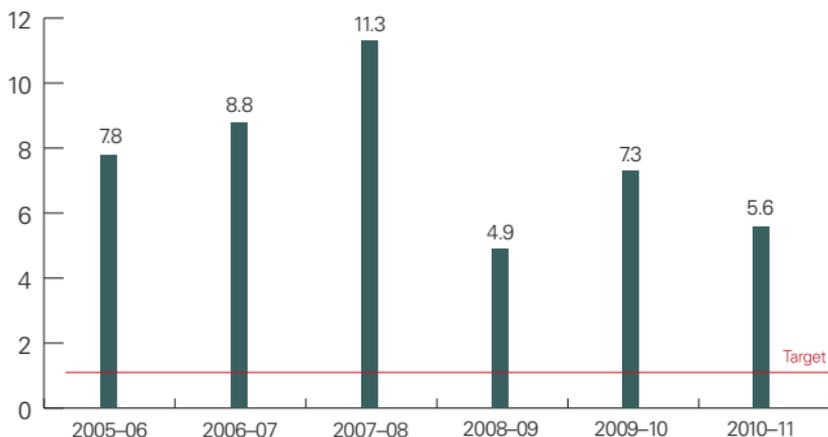
Millions of people use NSW State forests for tourism and recreation every year. Forests NSW provides 121 free recreation sites for activities like camping and picnicking as well as access to thousands of kilometres of roads and trails for four-wheel-driving, trail and mountain bike riding and horse riding.

Forests NSW is committed to education and community engagement on forests and forest management, spending \$3.5 million on research to help us better understand the forest and \$2.4 million on education to help others appreciate the different values of the forests we manage. Our staff spent over 2000 hours attending stakeholder meetings and forums and many thousands of hours planning operations to ensure environmental and social outcomes were met.

803 people were directly employed by Forests NSW and we helped support an estimated 12 000 forest-dependent jobs in NSW.

Safety of staff, contractors and forest visitors is paramount to Forests NSW. Over \$2.5 million was spent on training in 2010–11 and safe work cards were issued to all staff. The recordable incident rate is a recognised indicator of safety performance. Forests NSW has committed to a target rate of less than one.

Safety performance – Recordable Incident Rate



Sustainability benefits

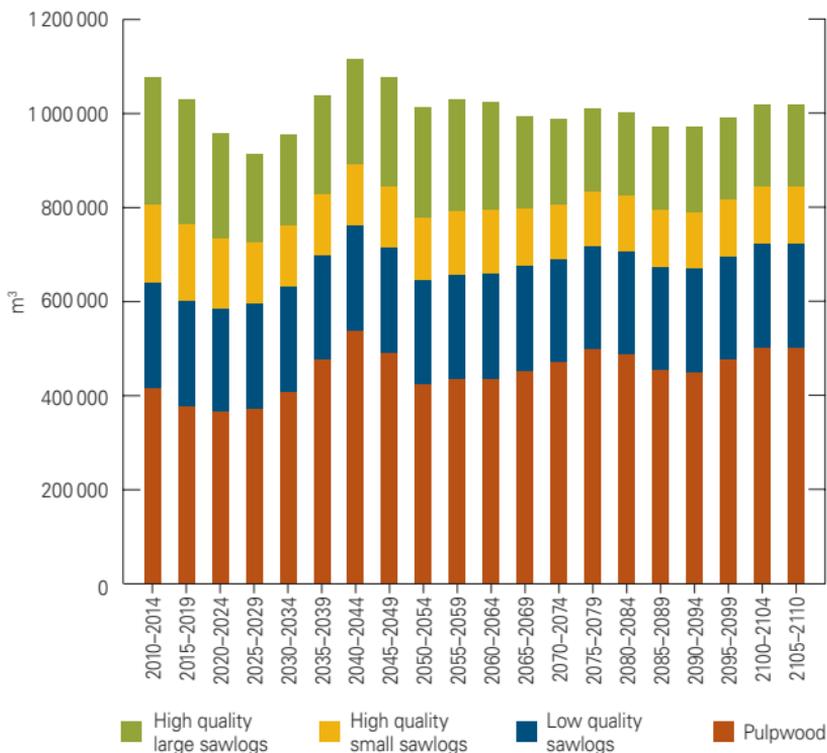
Sustainability means managing State forests for the long term and retaining opportunities for future generations to meet their timber and forest needs and expectations, while providing for the present.

- 1.48 million hectares of native State forest available for timber harvesting
- 10 694 hectares of plantations established

NSW State forests – here today, here tomorrow

Harvesting 100 years from now

Because State forests in NSW are managed sustainably, they will continue to regenerate and supply comparatively similar levels of timber 100 years from now.



Forests NSW forest management is independently certified as meeting the internationally recognised Australian Forestry Standard (AS 4708:2007).

Forest management certification is a market-based, voluntary forest management tool designed to recognise and promote environmentally responsible forestry and sustainability of forest resources.



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