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Ms. Robina Jaffray  
Acting Secretary, Senate Rural and  
Regional Affairs and Transport Committee  
Department of the Senate  
Suite SG62, Parliament House, Canberra 2600

30 Sep. 2002

Dear Ms. Jaffray,

by Fax to:6277.5811

The purpose of my submission is to demonstrate the different treatment that private plantation owners are exposed to when their timber is harvested as compared to large plantation owners, typically represented by State Forest Organizations, and how this difference has a negative effect on the principal reference criteria listed for this enquiry.

AAA: The adoption of a standard specification is critical. It would enable a small grower, with perhaps a once in a life time rotation, to have confidence in investing funds and ensure the eventual reward is based on an industry wide standard equally applied to all.

The absence of such a standard is a major negative contributor to the lack of hundreds of potential small growers giving consideration to private afforestation endeavours.

Such potential investors are business people/farmers, and are used to and accept the thrust of competition provided it is based on standard specifications.

BBB: Harvesting of the dominant plantation species (Pinus Radiata) in essence consist of assessing the value of tapered cylinders whose lengths, tapers and diameters vary.

Major plantation owners such as State Forests of NSW have these dimensions determined electronically at the Carter Holt Harvey (CHH) mill at Oberon. This is a foolproof modern method (provided measuring equipment is checked by the appropriate State measuring body). Timber from Private growers at this mill is assessed by the traditional visual means which is open to significant manipulation.

CCC: The essential difference in specifications I have come across with CHH is State Forests' timber is assessed electronically with 2 cm increments on volume while private growers' timber is valued by "Sorts" which typically have a 6 to 8cm increment and assessed on weight. Furthermore these Sort increments are varied at will.

I hold the view that the strict specifications for pulpwood are predominantly driven by mill efficiency rather than the maximization of the raw material. It results in much raw material being left on the forest floor which took a long time to produce.

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DDD: The industry is dominated by a few very large processors enjoying practical monopolies. Apart from the advantage of being able to virtually set their own price in the absence of realistic competition, it also also has a significant compliance effect on others within the industry. Bureaucracies, academics, consultants all depend on the goodwill of the dominant processors and few can afford to speak out in favour of the small growers.


BBE: I have attended but one meeting of "The 2020 Vision" and was overwhelmed by the extraordinary complexity when all that is needed is a standard specification.

When that is in place, no doubt against vehement opposition of the major processors, it will all come together. At present "The 2020 Vision" program is a bonanza for a whole raft of consultants etc.

FFF: It is highly desirable for your Committee to have "coalface" exposure to the harvesting and milling process and essential it looks at both the private grower's harvesting procedure as well as that practiced for someone like State Forests of NSW.

In conclusion please note that I have a considerable amount of material in support of the above, particularly my experience with the Carter Holt Harvey group, during the harvesting of my plantation at Mullion creek (near Orange) in the summer of 2001. This will be mailed to you within this week.

Sincerely,



Hans Marsman

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