

# Profile of plantation authorisations in NSW 1 December 2001 to 30 June 2007

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## Background

This profile provides an overview of plantation authorisations in New South Wales under the *Plantations and Reafforestation Act 1999* (PR Act) between December 2001, when the PR Act came into force, and June 2007.

The PR Act is administered by the NSW Department of Primary Industries. The plantation authorisation process is undertaken by specialised local officers.

During the period from December 2001 to 30 June 2007, 596 plantations were authorised. The plantation area authorised was approximately 114,000 ha. This area includes around 78,700 ha of new plantations and 35,300 ha of existing plantations.

The total authorised area (as distinct from the plantation area) is over 138,900 ha, and includes approximately 24,500 ha of native vegetation retained as part of the authorised area.

The total plantation estate in NSW as at 30 June 2007 was approximately 393,000 ha. The majority of this estate is softwood plantations, most of which were established by NSW State Forests (now Forests NSW) over many years.

The plantation estate includes plantations authorised under the PR Act and plantations certified under the *Timber Plantations (Harvest Guarantee) Act 1995* (TPHG Act), which was repealed when the PR Act came into force. It also includes existing plantations, which pre-date the PR Act and the TPHG Act.

## Plantation types

Of the 114,000 ha plantation area authorised between December 2001 and June 2007, approximately 56,400 ha were softwood plantations (*Pinus* spp).

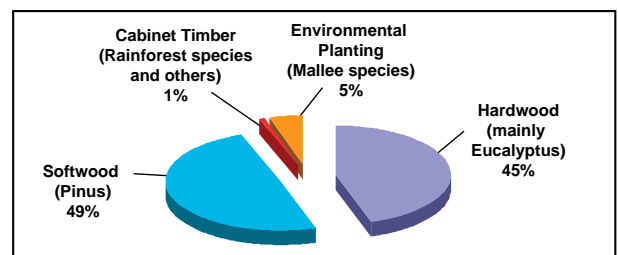


Figure 1. Plantation type.

Hardwood plantations accounted for about 51,300 ha, cabinet timber plantations for 900 ha and environmental plantings 5,400 ha. See Figure 1.

## Plantation ownership

More than half of all plantations authorised between 2001 and 2003 were owned by NSW State Forests, but this dropped to just over 20% of plantations by June 2007.

Private companies now account for 71% of plantation ownership, or roughly 80,900 ha. Individual growers only account for about 9,730 ha of plantations, but have more authorisations than either Forests NSW or private companies. See Figure 2.

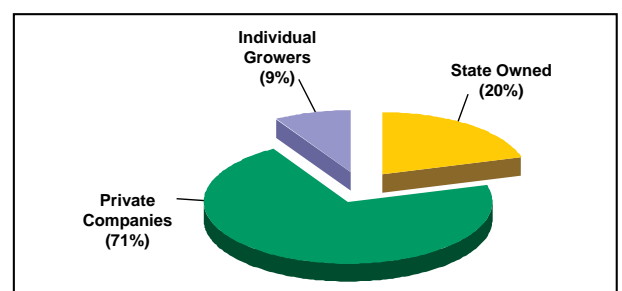


Figure 2. Plantation ownership.

## Plantation size

There have been 596 plantations authorised since the introduction of the PR Act in December 2001. Over this period the most common plantation size was 30 ha or less and accounted for 36% of the

applications received (216 authorisations). The next largest grouping was in the 101–500 ha class that accounted for 33% of authorisations processed. Interestingly, in the period July 2006 to June 2007 almost 50% of the authorisations processed were in the 101–500 ha class. Only 19% of the authorisations were for areas less than 30 ha, which may indicate that private growers are electing not to seek authorisation at this stage. See Figure 3.

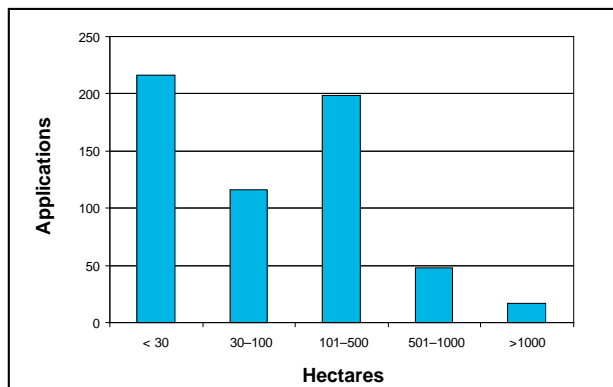


Figure 3. Plantation size.

### Regional distribution

Key softwood plantation areas are around Tumut, Tumbarumba and Albury in the Murray–Murrumbidgee region, Oberon in the Central West and the Bombala district in the State’s South East. The majority of hardwood plantations are located on the North Coast.

For the period December 2001 to June 2007 the majority of the activity was in the North Coast and the Murray–Murrumbidgee regions. During this period Murray–Murrumbidgee authorised 31% of total applications covering 39,000 ha. The North Coast processed 39% of total applications covering some 44,200 ha. During the 2006–2007 period, however, the North Coast Region received 49% of total applications covering an area of 16,300 ha, indicating a strong trend for plantation development in the north of the state. See Figure 4.

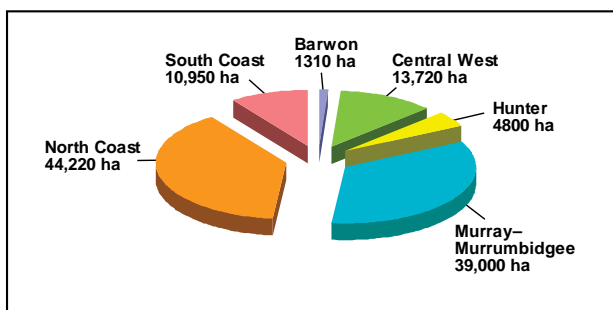


Figure 4. Regional distribution.

### Plantation expansion

State-wide, the number of plantation authorisations has increased annually with a peak in 2006–2007 of 135 applications processed. Areas authorised annually

have also increased significantly over the past 3 years and have peaked at around 32,000 ha for the past two years. See Figure 5.

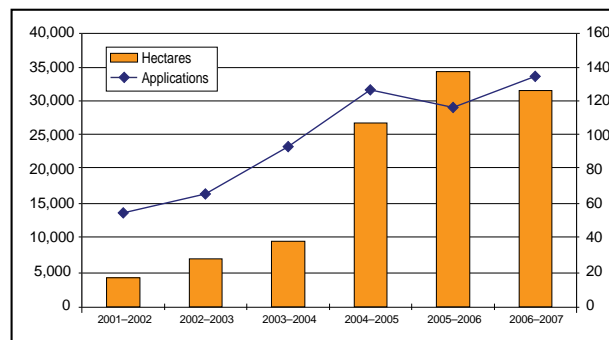


Figure 5. Plantation establishment.

### Guarantee of service

The Department of Primary Industries is committed to delivering quality assessment services to its clients and has reallocated resources to meet the changing demands of plantation developers and the 14 day guarantee of service for complying applications and 40 days for non-complying applications.

A key part of the assessment process is the pre-application inspection where the DPI plantation assessment officer will meet with the plantation proponents on-site to discuss the requirements of the Plantations and Reafforestation (Code) Regulation 2001. During this inspection an overall assessment is undertaken of the vegetation on site, the soils, impact on threatened species and an assessment of cultural heritage values. Once this pre-application inspection has been undertaken a plantation application is lodged for assessment.

Of the 596 authorisations received to 30 June 2007, 98% were complying applications. With the exception of the first few months of operation of the PR Act in 2001, average assessment times for complying plantations has been 7 days while for non-complying plantations an average assessment time of 25 days has been achieved.

### Recent trends

In the financial year 2006–2007, 135 plantations were authorised. The plantation area authorised was approximately 31,700 ha, which included around 23,350 ha of new plantations and 8350 ha of existing plantations. The total plantation applications of 135 are the largest number processed in a financial year since the commencement of the PR Act.

For 2006–2007 the plantation area authorised was made up of 10,765 ha of softwood plantations, 20,685 ha of hardwood plantations and 250 ha of cabinet timbers. This is compared to 2005–2006 where the new plantation estate was made up of 18,100 ha softwood plantations, 16,400 ha hardwood

plantations and 20 ha cabinet timber plantations. See Figure 6.

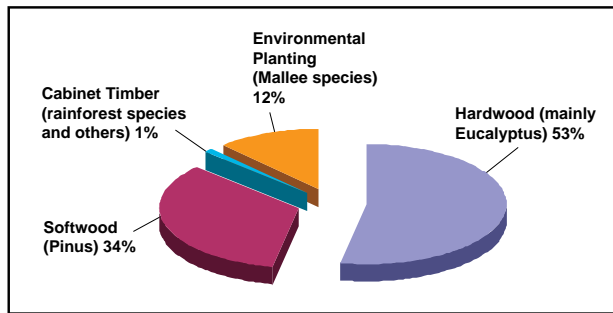


Figure 6. Plantation type.

In the last two years there has been a sizeable increase in private plantation ownership, mostly for managed investment schemes. This growth is primarily occurring on the North Coast where the area authorised in 2006–2007 was 25% more than the area authorised in 2005–2006. See Figure 7.

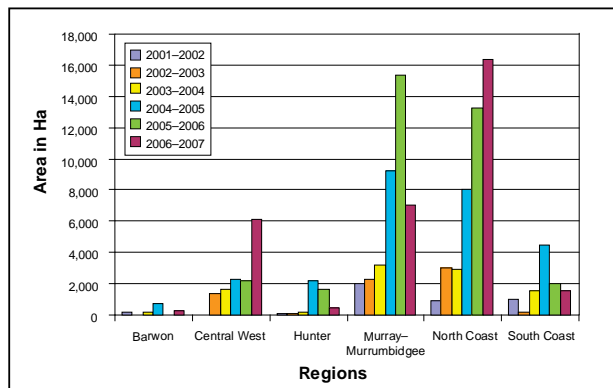


Figure 7. Regional plantation establishment.

Since 2005 there has been a rapid expansion in environmental plantations for carbon sequestration. Unlike timber plantations, these are not harvested but are used to obtain carbon credits. In the financial year 2006–2007, 3,900 ha of environmental plantations were established, as compared to almost 1,400 ha in 2005–2006. Most environmental plantations are located in the Central West of the state. See Figure 8.

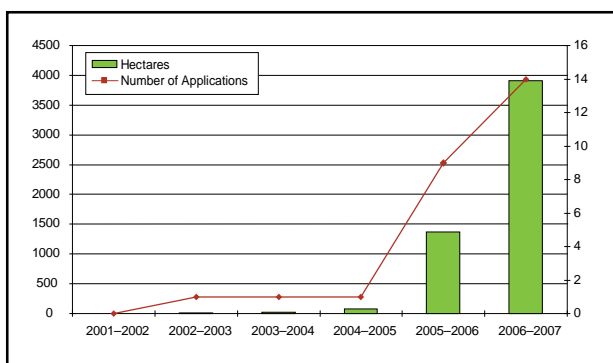


Figure 8. Environmental plantings.

## Future Direction

It is likely that the plantation estate in NSW will continue to grow, mainly due to the continuing expansion in private investment. With added interest in carbon trading, an expanding market for short rotation pulpwood and developing markets in bio-fuels and cabinet timbers there are now greater investment and market opportunities for plantation growers.

The PR Act is continuing to provide an effective regulatory framework to support the future development of plantations across NSW.

## For further information

Contact the Department of Primary Industries in High Street, Maitland  
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