

# TREES GROW COMMUNITIES



Diversification the key to success.



**Mark and Donna Fuhrmann, with their children Max, 3, Tom, 6, and Joe, 4, on their eucalyptus plantation in northern NSW.**

Watching three young brothers, all wearing cowboy hats, race around a muddy eucalyptus plantation field in northern New South Wales, it seems like the perfect setting for a boy's own adventure.

And for their parents Mark and Donna Fuhrmann, who own the land, this has also been something of a remarkable adventure.

Mark and Donna own one of the first larger privately-owned parcels of land that they lease to the plantation industry.

And Mark says with the agribusiness sector constantly changing, diversification is the key to succeed in the industry.

After a stint as a beef cattle farmer, Mark set up his own business as a rural merchandiser and after twelve years, his business has grown exponentially.

Casino Rural Traders, on the Bruxner Highway at Casino, specialises in plantation establishment, and provides agronomy advice, land assessment, and assistance with chemical and fertiliser application.

And as the plantation industry gathers strength, Mark is something of a pioneer in the emerging business of leasing land to plantation companies. That means a guaranteed income on the land for a fixed period – something that is hard to come by in the farming world, Mark says.

He bought a 1,000 hectare parcel of land in Grafton, on the mid-north New South Wales coast, and now leases it to Forest Enterprises Australia (FEA).

In the last five years, he integrated a cattle operation in the plantation, in conjunction with FEA.

Initially he struggled with other farmers' perceptions that he was taking good cattle land away.

But on plantation land, he still runs cattle – about half the amount he could if there was no plantation.

For him, Grafton was a clear choice. Being close to the coast, there is an ideal amount of rainfall.

And he says the plantation industry has a solid future as long as investors continue to be attracted to the sector.

When the Federal Government changed the tax laws about prepayments in 1999, Mark witnessed the damage suffered by the plantation industry.

“The changes threw all planning out the window. It doesn't suit the industry.”

But after the Government reinstated a prepayment rule for plantations in 2002, Mark is confident that the industry has regained momentum.

In the last financial year, investments in the plantation industry topped \$750 million. Experts are tipping that it will be similar this year.

In the recent Budget, the Government acknowledged the need for the forest industry to be internationally competitive and produce sustainable forest that strengthens Australian communities and meets consumer expectations.

And with increasing Government support, investors are increasingly becoming confident in the sector.

Mark predicts leasing arrangements with plantation companies are the way of the future in farming.

“Leasing land to plantation gives ageing farmers an alternative. It gives them a guaranteed income, and they can still run cattle – it gives them diversified income,” Mark says.

“For ageing farmers, a bonus is it’s a hands off investment – they don’t need to be there to run the operation.”

Industry spokesmen say Australia is well on its way to expanding its plantation resource to three million hectares.

These plantations store carbon, and are helping Australia achieve its Kyoto greenhouse emissions target.

The plantations also enhance biological diversity, and can have positive outcomes for soil erosion and water quality.

Mark says his Casino-based business has grown about 50 per cent over the last six years, with a considerable percentage attributable to the plantation industry.

Eight full-time staff are employed, as well as casuals. He also sources materials from within the district, providing widespread economic benefits for the region.

On his Grafton land, local contractors are employed to assist in ground preparation and spraying.

He and Donna have been married for seven years, and they have three boys – Tom, 6, Joe, 4, and Max, 3.

The self-described family man has farming in his blood, and watching the three boys on the farm, it is obvious the whole family loves life on the land.

And Mark says there’s something very special about spending time with his family in the forest.

“Once the plantation is established, there’s a great diversity of animals that live in this micro-environment. It’s a very peaceful setting.”