

EAST GIPPSLAND TIMBER INDUSTRY STATISTICS



- Sawmills
- Contractors
- Support Services
- Employees Summary
- Communities
- Machinery, Trucks & Plant
- Harvesting & Sales Facts

Current as of October 2010

EAST GIPPSLAND TIMBER INDUSTRY STATISTICS

Processing - direct employment

Full or part EFTs relating to wood from Tambo & EG FMAs



| Direct employees | | | | | | | | |
|------------------|-------------------|--------------------------|---------------------------------|--|----------------------------------|------------------------|----------|------------------------|
| Name of Business | Business location | Employees including yard | Employees admin, management etc | Contract employees Carting sawn timber | Contract employees carting chips | Other direct employees | Comments | Total direct employees |
| TOTALS | See list below | 259.2 | 39.5 | 14 | 6.5 | | | 319.2 |

| Home base for direct employees | | | | | | | | | | | | | | |
|--------------------------------|-------------------|-------------------------|--|---------------------|------------------------|----------------------|---------------------------|-------------------------|-----------------------------|----|--------|-----|-------|-----------------|
| Name of Business | Business location | Cann River and district | Orbost, Mario, Newmerella and district | Bendoc and district | Nowa Nowa and district | Bruthen and district | Swifts Ck, Omeo, Benambra | Bairnsdale and district | Areas to west of Bairnsdale | LE | Buchan | NSW | OTHER | Total employees |
| TOTALS | See list below | 23.6 | 52.5 | 5 | 21 | 6.6 | 28 | 60.6 | 34.9 | 6 | 2 | 73 | 6 | 319.2 |

Business included in statistics

| Name of Business | Business location |
|--------------------|-------------------|
| Hallmark Oaks | Cann River |
| Hallmark Oaks | Melbourne |
| Montana Timber | Nowa Nowa |
| Adams | Nowa Nowa |
| Sproule | Buchan South |
| Beckers | Genoa |
| Brownlie | Noorinbee |
| Auswest | Brodribb |
| Auswest | Bairnsdale |
| Mekken | Newmerella |
| Jamieson | Bendoc |
| Dormit | Swifts Ck |
| Fennings | Bairnsdale |
| Radial Timbers | Yarram |
| Gunns | Heyfield |
| BRH | Eden |
| Powelltown Timbers | Powelltown |
| SEFE | Eden |
| Midway | Geelong |

Source of data : Survey of listed processing businesses using logs from East Gippsland & Tambo FMAs

EAST GIPPSLAND TIMBER INDUSTRY STATISTICS

Contractor direct employment (Harvesting & Haulage)

Full or part EFTs relating to wood from Tambo & EG FMAs

| Number of direct employees | | | | | | | |
|----------------------------|------------------------|-----------|--|---------------|-----------------|-----------------|----------|
| Name of contractor | Bush Machine operators | Mechanics | admin, management and other overhead employees | Truck drivers | Other employees | Total employees | Comments |
| TOTALS | 91.5 | 11.6 | 21.4 | 70 | 3.3 | 197.8 | |

Machines/trucks

| Number of machines in bush | Number of log trucks | Additional (Backup) Machines | Comments |
|----------------------------|----------------------|------------------------------|----------|
| 98 | 73 | 37 | |

| Home base for direct employees | | | | | | | | | | | | | |
|--------------------------------|-------------------------|--|---------------------|------------------------|----------------------|---------------------------|-------------------------|-----------------------------|----|--------|------|-------|-----------------|
| Name of Business | Cann River and district | Orbost, Marlo, Newmerella and district | Bendoc and district | Nowa Nowa and district | Bruthen and district | Swifts Ck, Omeo, Benambra | Bairnsdale and district | Areas to west of Bairnsdale | LE | Buchan | NSW | OTHER | Total employees |
| TOTALS | 1 | 98.9 | 5 | 0 | 8.3 | 0 | 32.2 | 0 | 4 | 7.8 | 37.6 | 3 | 197.8 |

| Name of Businesses included in statistics | |
|---|---|
| Akeroyd Logging Pty Ltd | J & Y Janson Pty Ltd |
| B & M Wheeler Haulage Pty Ltd | Jamieson Bros Pty Ltd |
| Battel Logging Pty Ltd | Jonkers Logging Pty Ltd |
| Battel Nominees Pty Ltd | K M Hammond Pty Ltd |
| Beveridges Logging Co Pty Ltd | L & M Hibberson Pty Ltd |
| BKG Contracting Pty Ltd | L.W. & C.K. Cocks Pty Ltd |
| Blair & Campbell Pty Ltd | McKenzie River Haulage Pty Ltd |
| Boss Logging Pty Ltd | Mectec Pty Ltd |
| Brunts Harvesting | MWM Logging Pty Ltd |
| Buckett Logging Pty Ltd | PJ Green Logging Pty Ltd & Ranchase Pty Ltd |
| Cann River Logging Pty Ltd | R Pelz Haulage Pty Ltd |
| CJ & LJ Callow Pty Ltd | RC Brunt Pty Ltd |
| D.I & G.M Johnson Pty Ltd | Reynolds Logging Pty Ltd |
| Eastern Log Haulage Pty Ltd | Schrader Logging Pty Ltd |
| GH & KG Edlington Pty Ltd | Slater Contracting (Eden) Pty Ltd |
| Genoa Logging Pty Ltd | Sulesu Pty Ltd |
| Hammond Logging Pty Ltd | |
| Hollingsworth Logging Pty Ltd | |

Source of data : Survey of listed businesses harvesting & hauling logs from East Gippsland & Tambo FMAs



EAST GIPPSLAND TIMBER INDUSTRY STATISTICS

Direct Employment - Other Support Services to the Forestry sector

Full or part EFTs relating to wood from Tambo & EG FMAs

| Name of Organisation | Type of Service | Employees | Comments |
|----------------------|--|-----------|----------|
| TOTAL | Planning, roading, silviculture, other support | 101.7 | |

| Home base for direct employees | | | | | | | | | | | | | | |
|--------------------------------|-------------------------|--|---------------------|-------------------|----------------------|---------------------------|-------------------------|-----------------------------|----|--------|-----|-------|-----------------|--|
| Name of Business | Cann River and district | Orbost. Marlo, Newmerella and district | Bendoc and district | Nowa and district | Bruthen and district | Swifts Ck, Omeo, Benambra | Bairnsdale and district | Areas to west of Bairnsdale | LE | Buchan | NSW | OTHER | Total employees | |
| TOTALS | 9 | 44.8 | 2 | 0 | 2.8 | 6 | 5 | 22.1 | 3 | 1 | 6 | 0 | 101.7 | |

| Support services included in statistics |
|--|
| VF DSE Direct contractors to VF (Roading & Silviculture) Industry Associations |



Source of data : Survey of listed businesses directly supporting the harvesting & hauling of logs from East Gippsland & Tambo FMAs and the regeneration of logged areas

EAST GIPPSLAND TIMBER INDUSTRY STATISTICS

Direct Employment Summary

Full or part EFTs relating to wood from Tambo & EG FMAs

Processing

| Employees including yard | Employees admin, management etc | Contract employees Carting sawn timber | Contract employees carting chips | Other direct employees | Comments | Total direct employees |
|--------------------------|---------------------------------|--|----------------------------------|------------------------|----------|------------------------|
| 259.2 | 39.5 | 14 | 6.5 | 0 | 0 | 319.2 |



Harvesting & Haulage

| Bush Machine operators | Mechanics | admin, management and other overhead employees | Truck drivers | Other employees | Total employees |
|------------------------|-----------|--|---------------|-----------------|-----------------|
| 91.5 | 11.6 | 21.4 | 70 | 3.3 | 197.8 |

Support Services

| Type of Service | Employees |
|-----------------|-----------|
| | 101.7 |

Total Direct Employment

619

Source of data : Survey of businesses directly involved in the harvesting & hauling of logs from East Gippsland & Tambo FMAs and the regeneration of logged areas

Total jobs dependant on industry in East Gippsland (x 2.0 factor) =

1237

Source of data : Survey of businesses directly involved in the harvesting & hauling of logs from East Gippsland & Tambo FMAs and the regeneration of logged areas and using a factor of 2 to include (conservatively) the indirect jobs created

Socio economic issues

1237 jobs are an important part of the total pool of jobs in East Gippsland

The majority of the jobs are in small towns to the east of Bairnsdale

In many of these towns a large proportion of the direct and indirect jobs are timber industry related

Most of these towns are struggling to maintain community services and any further reductions would be disastrous to the social fabric of the community

The social disadvantage index for small communities in East Gippsland is already poor relative to the rest of Victoria

EAST GIPPSLAND TIMBER INDUSTRY STATISTICS

Direct Employees Home base summary

Full or part EFTs relating to wood from Tambo & EG FMAs

| Category | Cann River and district | Orbost. Marlo, Newmerella and district | Bendoc and district | Nowa Nowa and district | Bruthen and district | Swifts Ck, Omeo, Benambra | Bairnsdale and district | Areas to west of Bairnsdale | LE | Buchan | NSW | OTHER | Total employees |
|---------------------------------|-------------------------|--|---------------------|------------------------|----------------------|---------------------------|-------------------------|-----------------------------|-----------|-------------|--------------|----------|-----------------|
| Processing Harvesting & Haulage | 23.6 | 52.5 | 5 | 21 | 6.6 | 28 | 60.6 | 34.9 | 6 | 2 | 73 | 6 | 319.2 |
| Support Services | 1 | 98.9 | 5 | 0 | 8.3 | 0 | 32.2 | 0 | 4 | 7.8 | 37.6 | 3 | 197.8 |
| | 9 | 44.8 | 2 | 0 | 2.8 | 6 | 5 | 22.1 | 3 | 1 | 6 | 0 | 101.7 |
| TOTAL | 33.6 | 196.2 | 12 | 21 | 17.7 | 34 | 97.8 | 57 | 13 | 10.8 | 116.6 | 9 | 618.7 |

| % of total jobs | 5.4% | 31.7% | 1.9% | 3.4% | 2.9% | 5.5% | 15.8% | 9.2% | 2.1% | 1.7% | 18.8% | 1.5% | 100.0% |
|-----------------|------|-------|------|------|------|------|-------|------|------|------|-------|------|--------|
|-----------------|------|-------|------|------|------|------|-------|------|------|------|-------|------|--------|

Source of data : Survey of businesses directly supporting the harvesting & hauling of logs from East Gippsland & Tambo FMAs and the regeneration of logged areas



EAST GIPPSLAND TIMBER INDUSTRY STATISTICS

Estimated Current value - Machine and truck

| Number of machines in bush at any time | Additional Backup Machines | Estimated Average machine current value+++ | Estimated Total machine current value |
|--|----------------------------|--|---------------------------------------|
| 98 | | \$230,000 | \$22,540,000 |
| | 37 | \$110,000 | \$4,070,000 |

| Number of log trucks | Average current truck value | Estimated total truck current value |
|----------------------|-----------------------------|-------------------------------------|
| 73 | \$280,000 | \$20,440,000 |

Total estimated machine current value

\$26,610,000

Total estimated Truck current value

\$20,440,000

| | |
|--|---------------------|
| Total estimated current value machines and trucks | \$47,050,000 |
|--|---------------------|

Note +++ Additional (usually spare) machines at lower average value

In addition each of the 26 crews would have at least two 4x4 utes = 52 @ \$20,000 = **\$1,040,000**

Source of data : Survey of listed businesses harvesting & hauling logs from East Gippsland & Tambo FMAs with an industry estimate of average current machine/truck value

| Businesses included in statistics | |
|-----------------------------------|---|
| Akeroyd Logging Pty Ltd | J & Y Janson Pty Ltd |
| B & M Wheeler Haulage Pty Ltd | Jamieson Bros Pty Ltd |
| Battel Logging Pty Ltd | Jonkers Logging Pty Ltd |
| Battel Nominees Pty Ltd | K M Hammond Pty Ltd |
| Beveridges Logging Co Pty Ltd | L & M Hibberson Pty Ltd |
| BKG Contracting Pty Ltd | L.W. & C.K. Cocks Pty Ltd |
| Blair & Campbell Pty Ltd | McKenzie River Haulage Pty Ltd |
| Boss Logging Pty Ltd | Mectec Pty Ltd |
| Brunts Harvesting | MWM Logging Pty Ltd |
| Buckett Logging Pty Ltd | PJ Green Logging Pty Ltd & Ranchase Pty Ltd |
| Cann River Logging Pty Ltd | R Pelz Haulage Pty Ltd |
| CJ & LJ Callow Pty Ltd | RC Brunt Pty Ltd |
| D.I & G.M Johnson Pty Ltd | Reynolds Logging Pty Ltd |
| Eastern Log Haulage Pty Ltd | Schrader Logging Pty Ltd |
| GH & KG Edlington Pty Ltd | Slater Contracting (Eden) Pty Ltd |
| Genoa Logging Pty Ltd | Sulesu Pty Ltd |
| Hammond Logging Pty Ltd | |
| Hollingsworth Logging Pty Ltd | |



EAST GIPPSLAND TIMBER INDUSTRY STATISTICS

Area statements

| FMA | Total land area (h) | Total public land (h) | Public land as % of total | Average area harvested each year (h) | Area harvested as % of public land | Average area thinned each year (h) | Area thinned as % of public land | Area not available for sustainable harvesting (h) | Area not available for sustainable harvesting as % of total area public land |
|----------------|------------------------|--------------------------|---------------------------|---|------------------------------------|---------------------------------------|----------------------------------|--|--|
| East Gippsland | 1,220,000 | 1,059,000 | 86.8% | 2030 | 0.19% | 900 | 0.08% | 831,000 | 78% |
| Tambo | 900,000 | 622,000 | 69.1% | 670 | 0.11% | 70 | 0.01% | 574,000 | 92% |
| TOTAL | 2,120,000 | 1,681,000 | 79.3% | 2700 | 0.16% | 970 | 0.06% | 1,405,000 | 84% |

Source of data : DSE



EAST GIPPSLAND TIMBER INDUSTRY STATISTICS

Log and pulp sales contracted volumes pa

| FMA | Sawlog | Pulp including thinnings |
|----------------|---------------|--------------------------|
| | (m3) | (tonne) |
| East Gippsland | 114683 | 374506 |
| Tambo | 51688 | 124373 |
| TOTAL | 166371 | 498879 |



Comments

Key products from integrated operations are sawlogs and pulpwood
Pulpwood is also produced from thinning operations
Sawlogs are a mixture of ash and mixed species

Nearly all of the mixed species logs are processed in East Gippsland
The ash species logs are processed in East Gippsland and further to the west
Pulpwood is exported from either Eden or Geelong.
Australian Paper at Maryvale have the option on some of the pulpwood

Source of data : VicForests

EAST GIPPSLAND TIMBER INDUSTRY STATISTICS

Values of products pa

Sawn output from sawmills utilising EG logs

\$58 MILLION

Export woochips from EG logs

\$48 MILLION

Source of data : Industry estimates



EAST GIPPSLAND TIMBER INDUSTRY

"ONE LINE" STATEMENTS FOR THE MEDIA

Trees grow on solar energy

Trees are a natural resource which is renewable

We all use wood products daily

Woodchips produce the paper we use every day

We only harvest forests because there is a community demand for the products they produce

Timber is a popular product which is environmentally friendly and can be supplied sustainably

Trees and the forest products produced from them store carbon

All logged areas are regenerated following the completion of logging - by either seeding or planting

Forests are renewable, solar powered and sustainable

Better to use timber products from well managed domestic forests than to import from sources where forests are poorly managed

Australia already has a trade deficit in forest products of \$2.2 billion

The Regional Forest agreements give a balance between the use of the forests for conservation values and wood products

Less than 16% of the forests of East Gippsland are potentially available for harvesting over a rotation of 80+ years

Less than 0.16% of the public land in East Gippsland is logged in any one year

Timber industry machinery is a key to fire control operations in remote communities

Machines working in logging operations in remote locations are routinely diverted to fire control operations

Logging contributes to an effective road network for quick access to fires