

# TreeNote

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## Farmer experiences in farm forestry

Gilbert and Marilyn Rowan-Robinson, Bridgetown

*Gilbert and Marilyn Rowan-Robinson have been farming and growing pine trees west of Bridgetown for more than 25 years. Over this period they have seen changes in the pine industry and appreciate the long-term profitability of growing pine trees. Although Gilbert says it is difficult to compare forestry and traditional farming over long periods of time, he believes that his pines have earned roughly the same amount of income per hectare as the rest of the farm.*

*He believes that growing pine trees can be profitable, particularly when compared with the current low prices for beef and wool, but warns that farmers should not expect to make spectacular amounts of money. His experiences have also shown that profitability is dependent on both growing the trees and being able to market tree products.*

### Early years

Gilbert and Marilyn purchased land about 25 years ago on which pines had already been planted five years previously at a time when the industry was driven by investors and developers. Gilbert believes that the pine industry was given a bad name due to the questionable ethics of some of the early developers. Although it is different today, he believes that this poor reputation still persists with many people.

In the early life of a pine plantation, the cost of tree management versus income received is closely related to your ability to sell the products of thinning operations. Thinning is required at several stages to produce straight trees with a good growth rate. Gilbert and Marilyn have seen a number of changes in the marketing of thinnings over the years.

### Market changes

The first thinning is at about eight years of age. In the 1970s and 1980s there was no chip market for thinnings but a reasonable return could be made by selling posts. This return usually covered the cost of thinning operations. There was strong development in agriculture 20 to 25 years ago and the demand for fence posts was strong. Later, with less demand for posts, plantations were thinned to waste and the operation was an expense.

Also, later, there was a market for wood chips. Although this was an option for Gilbert, he had trouble marketing thinnings as chips because buyers sought supplies mainly from larger groups such as government plantations or large operators with a licence to sell chips. Most of his plantation was thinned to waste when the trees were 8 to 10 years old.

Some of the second thinning can be sold as 'case logs'. These are used to make pallets or cases, so it doesn't matter if the timber is knotty. Case logs need to be about 14 years old. Gilbert sold some case logs but had great trouble getting paid. He then marked and harvested some trees himself, processing the logs into square 'baulks' on site. This was only possible on the gentle slopes of the plantation.

When the trees were 18 years old, the next lot of thinnings were sold as second grade building material.

About five years ago Gilbert marked some trees and prepared road work for the thinning of 22-year-old trees. These were sold to Bunnings and it was the first time that the plantation made significant money for him. Returns were about \$1000/ha from 40 ha of the plantation. All the trees had been low-pruned in early years and then high pruned to 7 m. These returns need to be viewed with compound interest in mind. While the rate is low today, it was close to 20 per cent in the early part of the plantation's life.

### Peeler logs/other products

Gilbert and Marilyn's trees are now 29 years old. The lower half of the trees is suitable for peeler logs, which are used to make veneers, because they are straight and have been pruned to produce a narrow, knotty core in the heart of the tree. Each tree contains about 2 tonnes of peeler grade log.

There is also about 1 tonne of wood which could be sold as second grade building material and a further tonne which could be sold for chips. Until last year there was a veneer factory in Perth and the price for peeler logs was about \$90 per cubic metre. Since closure of the mill

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the highest price for these logs has been about \$55 per cubic metre as sawlogs. Gilbert has decided to grow the timber on for another 10 years or so. The trees are still growing at a good rate and Gilbert is impressed with the superior building grade wood produced in South Australian plantations which are not harvested until 50 years of age.

There are export markets for peeler logs, so Gilbert will be able to sell them into Malaysia if a new veneer plant is not set up in Western Australia.

### Helpful developments

Some positive developments have occurred in the past few years. About five years ago Bunnings started producing particle board, and now buy a lot of wood that was previously wasted. This was the first time that the whole tree could be sold and utilised.

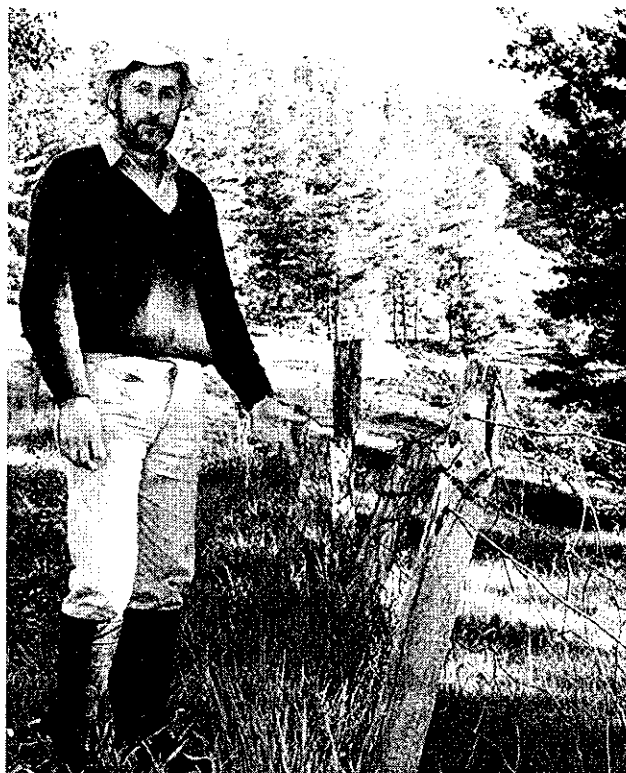
Another recent change for tree growers has been the alteration of fire-break legislation. Until recently, the breaks around tree plantations had to be 10 metres of bare mineral ground around no more than 20 ha of trees in a block. In the hills west of Bridgetown there were many cases of severe erosion of firebreaks. On Gilbert's farm, one firebreak eroded to a channel over 2 m deep and a fence was completely buried by silt. On his main property, Gilbert has almost lost one dam which is half-filled with silt from erosion of a firebreak on the adjoining property.

The new 'buffer woodlot criteria' is applied to lots up to 5 ha in size. For these areas there must be 10 m without trees which is trafficable (to allow fire-fighting access). The trafficability can be achieved by mowing or grazing the breaks, so there is still a mass of roots holding the soil together. A plantation of any size can be grown as long as it is made up of these 5 ha 'woodlots'.

### Bluegums

As an alternative to pines, bluegums are favourable because they provide returns within 10 years. Gilbert and Marilyn considered growing bluegums a few years ago, but most of the soils on the farm are too shallow. The depth to rock over more than half of the farm is less than 1 metre.

While some farmers may be able to make more money in the long-term by financing the plantation on their own, Gilbert's advice to people starting out would be to strongly consider a sharefarming arrangement with a large company such as Bunnings or CALM. This arrangement means that an agreed and regular income is received by the farmer with the risk being carried by the larger tree farming organisation.



*Gilbert Rowan-Robinson shows where soil deposition from the erosion of a bare earth firebreak further upslope, buried a fence previously on this site. New firebreak legislation allows pastured breaks which will greatly lessen chances for erosion.*

### Markets vital

It is well established that the Bridgetown-Greenbushes district can produce quality wood products. Gilbert would like to see more trees grown in the Bridgetown-Greenbushes Shire. He believes tree farming can be good for farmers and the community in general, but there must be a change in marketing if farmers are to be encouraged to enter into tree growing.

### Further information

Contact your local office of the Department of Conservation and Land Management or of Agriculture Western Australia for the name of your nearest adviser representing the Farm Forestry Advisory Service. Other *TreeNote* titles are available from these offices in the higher rainfall area of southern Western Australia.

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