

Totara in Northland: key issues related to managing this ‘new’ resource in NZ

Ongoing need to engage with the community as the industry develops

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IN the second part of our story confirming the financial viability of a farm-totara industry in Northland, New Zealand, we conclude our analysis of the Totara Industry Pilot (TIP) project report with a look at the remaining gaps, issues and risks related to managing the resource.

Although the report says “there is sufficient farm-totara to sustain a small industry for the first 10 years” – some uncertainty remains in estimations of the resource.

Paul Quinlan from Tane’s Tree Trust (a TIP project partner) says over the next 18 months the trust will be remeasuring its network of 60 permanent sample plots in totara stands.

“This will help to improve our data on growth rates in Northland and our response to various thinning treatments,” he says

“In the past, the Ministry for Primary Industries [Te Uru Rakau] has approved allowable harvest rates based on growth models of totara from the Nelson and Wellington areas. These are very conservative compared with rates we observe in Northland.

“Refining the Northland totara growth models should give the ministry the confidence to approve more appropriate allowable harvest rates in sustainable forest management [SFM] plans.”



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The fledgling industry operates under the Forests Act and Mr Quinlan confirms the report’s findings that “the permitting and planning processes are difficult, time-consuming and very expensive to apply. We fully support the intents and purposes of the act, and hope to keep working with Te Uru Rakau to improve its application. The act is far from ideal ... but even in its present form, it won’t stop the show.”

The report notes that the industry’s prospects “are vulnerable to changes in legislation and regulation by government and local



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- 1/ **The mighty totara: there is an estimated 26,500 ha of totara-dominant stands in Northland.**
- 2/ **A number of operational logistics need to be addressed and refined following the TIP project’s two trial harvests.**

authorities”. It suggests that totara plantations could supplement supply in the future ... thereby avoiding some of the current constraints.

Mr Quinlan says that, initially, a viable farm-totara industry should be based on domestic demand.

“No one would want to see totara logs being exported,” he said. “However, at present the prohibition in the Forests Act is being interpreted in such a way that not even processed timber products can be exported if they require any cutting or fitting on site.”

He said this severely limited the opportunities to access

high-value markets and for the industry to achieve optimal returns. Without the chance to export some high-value products, the total value of the regional industry would be artificially depressed.

The report also highlights the need to engage with landowners throughout the north to ensure the success of future operations ... especially given that the collective resource is spread over many hundreds of properties.

Further, it says “there is potential value to be gained from the seeds, fruit, bark and other non-timber materials of the removed trees” (and from bio-extracts contained in the waste heartwood). Supply chain and revenue streams weren’t explored under this project, but further investigations are highly recommended.

And there are a number

“IMPROVING DATA ON GROWTH RATES IN THE REGION”

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of operational logistics to be addressed and refined following the project's two trial harvests using continuous cover forest management principles – most notably the specialist machinery required, harvest windows and conditions, and processing plans.

TIP project manager Elizabeth Dunningham adds that Scion (the project's contracting entity) has started durability testing of farm-



1/ More people are open to the possibility of sustainably managing native tree species.
2/ Paul Quinlan... network of 60 permanent sample plots in totara stands.

“HEARTED BY THE SHIFT IN ATTITUDES TO NATIVE FORESTS

totara heartwood and so far conducted lab and accelerated screening tests.

“These indicate that the heartwood is likely to be suitable for above-ground

and interior applications,” she said.

“However, the definitive durability



tests are outdoor field tests that run for many years.”

The report says there will be an ongoing need to engage with the community as the industry develops.

Paul Quinlan is heartened by the shift in attitudes towards native forests – “to the point where many people are now more open-minded about the possibility of sustainably managing our native tree species.”

(Reference: Totara Industry Pilot project, final summary report, V2.1 August 2020)

New home sales went through the roof in December

NEW home sales in Australia reached remarkable heights in December, nearly doubling compared to the number of sales recorded in November.

HIA economist Angela Lillicap says a monthly HIA survey of the largest volume home builders in the five largest states is a leading indicator of future detached home construction.

“This is the second

strongest month of new home sales in the 20-year history of the survey, only exceeded by March 2001,” M Lillicap said.

“This surge in sales can be attributed to HomeBuilder as households finalised contracts to build a new home before the December 31 deadline to access the \$25,000 grant.

New home sales in 2020 increased by 32.5% compared to 2019. This is an exceptional

result given the nature of the pandemic and the effect that it has had on the broader economy.

“But it is not expected this remarkable volume of sales will continue into January,” HIA says.

The extension of HomeBuilder to allow contracts to be signed before March 2021 with a grant of \$15,000 will support the sales

of new homes into 2021, but not at this elevated level.

Low interest rates, improved lending assessment and growth in the price of established homes will also support demand for new homes in 2021.

The monthly increase in sales has been broad-based across the states with the exception of Western Australia which declined by 9.5%.



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