

Public submission

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Machins Sawmill Ltd - Lower NE NSW

Machins Sawmill Pty Ltd - Sawmillers, Timber Processers & Timber Merchants

We produce sawn timber, girders, firewood, flooring, decking, fencing, industrial timbers and by products such as sawdust and shavings

Our focus is on providing high quality products, primarily to niche markets whilst maximizing the value of any logs we receive.

The Machin family have been hardwood sawmilling in the Manning Valley since 1914. The business is currently owned and run by fourth generation sawmiller, Ralph Blenkin. We operate the one sawmill at in the one on the Mid North Coast of NSW

We currently employ 12 fulltime and 3 part time employees. Most of our employees have families they support, and some have mortgages.

There are limited employment opportunities for people with a lower education in our area. In the past 25 years around 800 jobs have been lost in our area with the closure of the 2 milk factories, sawmills and processing plants because of the Carr Government Old Growth decision.

Goninans (railway rolling stock manufacturers), Britax (car parts manufacturer) have closed with the loss of some 500 jobs over the 2 sites. Very few of these jobs have been replaced.

Our employees live in and and . The maximum travel distance for them would be around 14km.

Two of our staff are trades qualified. The rest are skilled sawmill workers that we have largely trained. Some have a Certificate 2 level of training. We have a stable and long-term workforce.

I believe our staff will have great difficulty gaining meaningful fulltime employment if we were to close.

Our customer base is very diverse including local retail and wholesale. We supply direct to several builders. We also supply the local council and government departments

Our main market is in Sydney, followed by the mid north coast, Melbourne is becoming a bigger market for us with the closure of the Victorian native forest industry. We regularly send timber to Adelaide including for defense projects.

Around 80% of our operating expenses are spent in the local area. We buy everything we need from local suppliers where it is available. This includes maintenance services, transport, spare parts and timbers.

20% of operating expenses is paid to businesses out of the local area. This is largely specialist items that cannot be sourced locally.

If native hardwood harvesting ended, particularly in the state forests, our business would be forced to close . This would affect our local community as we are one of the larger employers in town and economic contributors

Whilst we compete with other mills, in my 42 years in the industry, I have experienced a great deal of cooperation amongst sawmillers. We regularly buy and sell with other sawmills. I buy and sell logs with other mills. Information is exchanged.

Our business supports numerous community groups through sponsorships and payments in kind. The list includes Wingham Tennis Club, Wingham Junior Cricket Club, Wingham Rugby League Club, Wingham Junior league Club, Wingham Football Club. Wingham Golf Club, Wingham Bowling Club, Wingham Woman's Bowling Club, Wingham Rotary Club, Wingham Show Society, Manning Agricultural and Horticultural Society, Camden Haven Show Society and Wingham Music Festival. We receive much support from our local community, and I believe it is right to repay the favour. It helps our town to prosper.

Topic 1 Sustainability of current and future forestry operations in NSW

I am not confident to invest in my business at present. I have had 42 satisfying years in the industry but during that time I have seen successive governments take away more and more resource under the guise of Rainforest, Old Growth, Biodiversity, Endangered Ecological Communities, Koalas and Greater Gliders. We do not have much to give away anymore. Apart from political decisions the bureaucracies have been infiltrated by anti-forestry activists making decisions to regulate us out of business by stealth.

The most important things about having a sustainable and diverse hardwood timber industry in NSW

- 1 Supply of sustainable timber products to the community
- 2 Regional Employment
- 3 Commercial and domestic construction

I would be happy for the panel to visit our operation. I am proud of our business and the benefits it provides to the community. I believe city-based people should be seeing where the products they consume come from.

Forestry Corporation and the EPA

I have always had a good working relationship with Forestry Corporation and have great respect for their management of our forests but believe much of their control of the management of the forests has been taken away from them by the EPA. The EPA is far too regulatory focussed and have little idea of flexibility or practicalities of forest management. I believe the focus of the EPA is to end native forest operations.

Silvicultural practices.

I believe that locking the industry out of forests is bad practice for the health of forests. An unmanaged forest becomes choked out with weed infestations and stagnates with minimal growth. In forests it is" sink or swim" or survival of the fittest. Silvicultural practices can promote growth.

Maintenance and support of biodiversity in native forests.

I believe biodiversity is strong under our current forest management regime. It is a great credit to our foresters that our forests have such great biodiversity. This is proven by the fact that so many of our forests are now wanted by the environmental movement. Kiwarrak State Forest near Taree is proof of this. Despite being harvested numerous times since the advent of the NSW Forestry Act, it is home to a thriving Koala population that survived through the 2019 fires and has been the subject of an extensive study by Dr Brad Law of the DPI.

Topic 2 Environmental and cultural values of forests, including threatened species and Aboriginal cultural heritage values

The state cannot afford to create more National Parks for the sake of creating them. It costs the state over 5 times the amount per hectare to run National Parks compared to State Forests whilst environmental, cultural and heritage values are still maintained in State Forests otherwise the ENGO movement would not want the conversion to conservation areas. State Forests provide better access for the community to enjoy their values through a greater road network and less restrictions.

State Forests have minimal signs telling you what you cannot do.

One of the greatest risks to native fauna is wildfire. Forestry Corporation have a better record of minimizing and containing fires than NPWS. The inquiry into the 2019 wildfires found the intensity of fires was less in State Forests than National Parks.

Topic 3 Demand for timber products, particularly as relates to NSW housing construction, mining, transport and retail

During my time in the industry our markets have transformed from primarily framing for housing (taken over by treated pine and steel but at what environmental cost?) We have evolved to focus on niche and specialty markets where the strength, durability and beauty of our hardwoods can be better utilized. We are seeing a rising demand for timber in civil works, agriculture and heritage works whilst our flooring and decking products are selling strongly into the housing market.

We would decline as many orders as we accept due to lack of suitable resource.

Substitute Products

Substitute products have made inroads into some of our markets such as domestic housing. Composite products such as LVL and Glulam are now widely used where timber beams would have been used before. This is largely due to us being unable to consistently supply.

I was disappointed to hear that Essential Energy have made the decision to transform their use of timber poles to fiberglass in the next three years. I am told these cost 3 times the cost of hardwood poles which will be borne by the consumer. I am told this decision was made largely on the basis that the future supply of hardwood poles from NSW is uncertain and they must be prepared. I cannot see this as environmentally sound

Topic 4 The future of softwood and hardwood plantations and the continuation of Private Native Forestry in helping meet timber supply needs

Private Native Forestry

Our sawmill relies on private native forests for most of its resources these days. Competition for PP logs has increased in recent years as mills haul logs further distances to make up for the lack of supply from State Forests. Private native forests will not make up for the loss of supply from State Forests. The resource is already being utilized.

Private native forests are fragmented. Long term supply planning is difficult as we are never sure what is available in the medium to long term.

A large amount of private native forest is low yielding as it has not been subject to the silvicultural practices State Forests have in the past. This has improved in recent times as markets for poor quality logs have improved. Access to PP forests can be poor with lower quality roads and limited access through adjoining properties

Hardwood plantations

There are few plantations in our area that are mature enough to provide a viable resource for the industry. I support the establishment of more plantations but question where the land is available.

One of the biggest issues for the establishment of plantations is finding suitable land. High quality sites are being used for agriculture or are expensive. Plantations are a long-term investment and have difficulty in attracting capital.

There is a risk that access to plantations will be lost to industry. Plantations in the Bellingen area are currently subject to pressure from the environmental movement to be added into the Great Koala National Park. Many plantations in state forests were lost to National Parks under the Carr Old Growth Decision in the Woolgoolga area.

Plantations are a supplement to native forest supply, not a substitute.

Ther are better qualified professionals that can provide comprehensive information on Topics 5 & 6.