

Farm Forestry in Victoria

Industry Capacity and Development Needs Analysis

Prepared for:

Victorian Government
Department of Primary Industries
Farm Services Victoria - Horticulture and Forestry

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July / August 2010

Executive summary

The Victorian Government's Future Farming Strategy aims to deliver better services to farmers. As part of this initiative, the Victorian Department of Primary Industries (DPI) Farm Services Victoria (FSV) Forestry is committed to providing better services to farmers and as such is reviewing its service offer to the farm forestry sector.

A key shift is the focus from FSV being a retailer of information through extension activities, to a wholesaler of information. As a result FSV Forestry needs to identify and work in collaboration with appropriate farm forestry groups that have the networks and expertise necessary to ensure effective flow of information and the ability to achieve common goals.

As part of engaging the farm forestry sector in this process it is important to develop a better understanding of the capacity of groups that support the sector, understand issues and needs, and identify drivers to support the development of successful relationships between the sector and FSV that can underpin effective industry development initiatives.

In total 14 farm forestry / stakeholder groups were identified and interviewed as part of this project. The interview questions allowed examination of the industry and key issues impacting its development; the industry organisation and its membership profile, funding base and service offering; and the industry's current and future service needs.

A brief profile of each of the industry organisations and their respective industry, based on the interviews and other relevant material provided by the organisation, is provided in the Results section.

All networks were constrained in delivering effective industry development outcomes due to lack of capacity and resources. Some groups had however been more proactive and successful than others in attracting funding for industry development initiatives and building self-reliance and were therefore in a more sustainable position to deliver services into the future.

To support the growth of the sector, there were a number of industry development needs that were common to farm forestry networks including the need for:

- Ongoing research and development
- Extension and training activities
- Improved industry data
- Promotion of farm forestry
- Market information and support.

Recommendations

The following key recommendations are made based on the stakeholder interviews and analysis of industry development needs.

Engagement of Industry Facilitators

It is recommended the DPI fund industry-based Industry Facilitators to build industry and network capacity through:

- Providing improved access DPI and other available R&D expertise and capacity
- Assisting in linking networks with supply chain participants including consultants, brokers, processors and other service providers
- Promoting the farm forestry sector and facilitating engagement with the broader community / media
- Coordinating internal sector communication through a state-wide website and e-news updates to keep farm forestry organisations and their members up-to-date on industry issues, field days and other relevant matters. This would assist in linking networks across the state.
- Assisting in identifying and accessing government funding opportunities for networks and where possible leveraging opportunities to link networks in delivering services
- Assisting in addressing industry problems that are common across a number of networks
- Coordinating contact and industry databases across the state.

Ideally there would be 1.5 to 2 full time equivalent positions to fill this need.

Benefits of including Farm Forestry Industry Facilitators in the Horticultural Industry Network (HIN) may be limited and the structure of HIN meetings may need to be reviewed so that they are relevant for a wider stakeholder group. Areas of commonality would include extension and communication practices; biosecurity; and components of supply chain development.

It is recommended that the most appropriate organisations to host these roles would be those that can provide a state-wide focus. In terms of stakeholders interviewed, this would include Trees Victoria and Farm Forest Growers Victoria (FFGV), however there may be other organisations also servicing the farm forestry sector that may have an interest in facilitating the provision of industry development services.

It is questionable whether in the short to medium term the sector has the capacity to co-contribute funds to supporting these roles. The long term nature of farm forestry limits the capacity of industry groups, such as Trees Victoria or FFGV, to accumulate resources to build industry and organisational capacity. Hence it is recommended that

DPI provide longer term stable funding so that industry can drive industry development activities.

Development of farm forestry database

It is recommended that DPI fund the development of an appropriate state-wide database to collect industry data and develop appropriate management tools to support the farm forestry sector.

The 'Victorian farm forestry inventory scoping study'¹ undertaken in 2009 should be used as a basis on which to proceed.

Peer mentoring

It is recommended that DPI consider funding a pilot program, utilising the skills of the Otways Agroforestry Network, to selectively extend the peer mentoring program to other networks throughout the state. The pilot program should be evaluated to determine if this delivery model has application in other parts of the state. Networks that might immediately benefit and appreciate this intervention would be the Northern United Forest Growers, Gippsland Agroforestry Network and the Wimmera Agroforestry Network.

¹ Stewart, H. (2009). Victorian farm forestry inventory scoping study: Report to Farm Forest Growers Victoria Inc.

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Abbreviations

The following abbreviations apply to this document:

AFG – Australian Forest Growers

BIFFN - Box – Ironbark Farm Forestry Network

BRT - Ballarat Region Treegrowers - AFG branch

CEO – Chief Executive Officer

CMA - Catchment Management Authority

CSIRO – Commonwealth Scientific and Industrial Research Organisation

DAFF – Department of Agriculture, Fisheries and Forestry

DPI – Department of Primary Industries - Victoria

DSE – Victorian Department of Sustainability & Environment

FFGV – Farm Forest Growers Victoria

FSV - Farm Services Victoria (a division of DPI)

FSV Forestry – Farm Services Victoria Forestry (as part of Farm Services Victoria
Horticulture and Forestry – a division of DPI)

GAN – Gippsland Agroforestry Network – AFG branch

HIN – Horticulture Industry Network (FSV Horticulture initiative)

IDO – Industry Development Officer

MIS – Managed Investment Scheme

NUFG - Northern United Forestry Group

OAN - Otway Agroforestry Network

PFDC – Private Forestry Development Committee

R&D – Research and Development

SIRFFN – Shepparton Irrigation Region Farm Forestry Network

SWAN – South West Agroforestry Network

VFF – Victorian Farmers Federation

WAN - Wimmera Agroforestry Network

Background

The Victorian Government's Future Farming Strategy aims to deliver better services to farmers. As part of this initiative, the Victorian Department of Primary Industries (DPI) Farm Services Victoria (FSV) Forestry is committed to providing better services to farmers and as such is reviewing its service offer to the farm forestry sector.

A key shift is the focus from FSV being a retailer of information through extension activities, to a wholesaler of information. As a result FSV Forestry needs to identify and work in collaboration with appropriate farm forestry groups that have the networks and expertise necessary to ensure effective flow of information and the ability to achieve common goals.

Already this process has been adopted across the Victorian horticulture sector. As a result FSV Horticulture has rolled out an Industry Development Officer (IDO) grants program and established a Horticulture Industry Network comprised of IDOs and other relevant stakeholders. FSV provides coordination and facilitation services for this network and is developing appropriate tools and resources to assist network members in providing a route to market for R&D and other industry development services.

As part of engaging the farm forestry sector in this process it is important to develop a better understanding of the capacity of groups that support the sector, understand issues and needs, and identify drivers to support the development of successful relationships between the sector and FSV that can underpin effective industry development initiatives.

The following sections outline the methodology employed, the findings of the stakeholder consultation and analysis of these findings in context of industry development requirements of the sector.

Methodology

Through engagement with key farm forestry groups in Victoria, FSV, wished to:

1. Understand the current operating context of the selected farm forestry groups and determine their suitability, capacity and the need for collaboration with DPI to deliver better services to the farm foresters. As part of this it is also important to understand the issues impacting farm forestry growers in regard to information and support needs.
2. Identify drivers for strong collaborative relationships between DPI and farm forestry groups.
3. Explore the operating mechanics of how an industry group/s could become retailers of DPI generated wholesale information.

The following methodology was used to achieve the project outcomes required:

Step 1: Scoping:

The consultant worked with FSV Forestry to scope the requirements of the project and ascertain important background information. This first step was essential so that stakeholder consultation was effective, efficient and ensured that project delivered the best possible information for future deliberative processes.

Step 2: Desktop research:

The consultant undertook desktop research to understand key attributes of the industry in relation to the scope of the work being undertaken. This was to assist in developing a capacity and needs assessment questionnaire (step 3).

Step 3: Industry capacity and needs assessment questionnaire: A questionnaire which broadly covered industry capacity and development needs was developed based on the outcome of Step 1 & 2 and the consultant's experience with similar projects. The questionnaire was reviewed with FSV Forestry to ensure its appropriateness for the sector.

It is important to note that the questionnaire was used as a guide only for the interviews undertaken with stakeholder groups.

The questionnaire of stakeholders covered aspects such as:

Profile of Group:

- Contact details of group / key staff / officer bearers
- Governance and direction of organisation – governance structures and processes, strategic planning and achievements of the group
- Membership profile
- Funding – sources of income to support the organisation's activities

- Affiliations – relationships with other industry bodies
- The drivers / impediments affecting the development of the association.

Profile of Sector:

- Number of landholders engaged, geographic spread, production trends, cohesiveness of industry
- Industry issues – key issues impacting on the profitability / sustainability of the industry.

Services provided by group

- Services offered to the industry sector / group members
- Support from other industry stakeholders in regard to industry development.

Current sector support and needs assessment

- Current industry support mechanisms: identification of information / services that are currently valued and those that are lacking
- Assessment of current FSV support
- What services need to be delivered and how should they be delivered
- Identification of other issues that might impact on the successful delivery of industry development activities.

Through this questionnaire, it was intended to be able to:

- Identify what information / services are currently valued and which are lacking
- Assess the organisations ability to support industry development activities, and potential to engage / support / utilise an industry facilitator
- Identify other issues that might impact on the successful delivery of industry development activities.

Step 4: Administration of stakeholder questionnaire:

The questionnaire was administered to the 14 farm forestry / stakeholder groups identified by FSV. A list of the organisations and the respondents is included in Appendix 1. Most interviews were conducted between late June and early July 2010. Discussions were also held with individuals that could provide insight into the industry development needs of the sector. In some cases this was on specific topics related to industry development which allowed the consultant to gain a greater understanding of a particular issue/s.

It is important to note that given the length and comprehensiveness of the questionnaire, it was considered best to administer the questionnaire through an interview process. To retain the interest of the respondent, and given time and resource constraints of the project, interviews were limited to 1½ - 2 hours, however not all interviewees were able to commit to this time. This meant that some areas of the

questionnaire were covered in more details depending on the interests of the respondent – and in some cases particular areas of questioning were limited. Overall respondents were very generous with their time, information and consideration of the issues presented.

Step 5: Analysis and reporting

Once all interviews were completed, the consultant analysed findings in line with the project brief. A draft report and final report was submitted.

Results

Defining farm forestry

For the purposes of this report, the definition of 'farm forestry' is that contained in the Commonwealth Government's Farm Forestry National Action Statement 2005 has been adopted and is stated as:

"Farm forestry is defined here as the combination of forestry activity with cropping and or livestock production.

The focus of the farm forestry activity is primarily commercial, although there may also be other objectives including shade and shelter for stock or crops, natural resource management including soil and water protection, habitat conservation, landscape and amenity values.

Farm forestry can take many forms, including plantations on farms, woodlots, timber-belts, alleys, wide-spaced tree planting and sustainably managed private native forests.

Farm forestry plantations are predominantly of a smaller scale than industrial plantations and may have less emphasis on timber or fibre production as primary outputs.

*Importantly farm forestry is practiced by farmers and other landholders, using the resources and knowledge available to them. The farmer or landholder makes the critical decisions, from establishment and management to marketing of products and services.'*²

This definition is consistent with that used by the DPI Victoria.

Overview of the Victorian farm forestry sector

A review of literature indicates that in 2009, the approximate area of land devoted to farm forestry, excluding private native forests, was 25 122 hectares. This equates to 6% of the state-wide plantation forestry and farm forestry resource. The spread of farm forestry resource is reported as follows:

- Green Triangle (Victorian component only) - 5%
- North West Victoria – 18%
- Central Victoria – 16%
- North East Victoria – 40%
- Gippsland – 20%.³

² Farm Forestry National Action Statement (2005). Department of Agriculture, Fisheries and Forestry, Canberra.

³ Stewart, H. (2009). Victorian farm forestry inventory scoping study: Report to Farm Forest Growers Victoria Inc.

Managed investment scheme (MIS) plantations on leased farm land which forms part of a land holding on which farm practices are still undertaken account for an additional 5% or 20 200 hectares of plantings.

Stewart⁴ in 2009, citing a range of sources from 2004 to 2009, also reported that the farm forestry resource in Victoria is owned by at least 1000 farm forestry growers across the state and provides approximate figures for each region:

- Green Triangle (Victorian component only) – 70 growers
- North west Victoria – 170 growers
- Central Victoria – 266 growers
- North east Victoria – 300 growers
- Gippsland – 205 growers.

Representation of the sector

Representation of the sector is complex with a range of entities providing representation at regional, state and national levels. Changes in state and federal government funding over recent years has seen some structures disbanded, such as Private Forestry Development Committees (PFDC), and new entities emerging such as Farm Forest Growers Victoria (FFGV) and Trees Victoria.

At a national level one of the peak industry bodies for the sector is the Australian Forest Growers (AFG) which has 24 branches nationally including 5 in Victoria.

Farm forestry networks and AFG branches are the backbone of the regional support platform. In Victoria these include:

- FFORNE / NE Branch of AFG*
- Shepparton Irrigation Region Farm Forestry Network (SIRFFN)*
- Northern United Forestry Group (NUFG)*
- Wimmera Agroforestry Network (WAN)*
- Box – Ironbark Farm Forestry Network (BIFFN)*
- Ballarat Region Treegrowers (BRT)- AFG branch*
- Otway Agroforestry Network (OAN)*
- South West Agroforestry Network (SWAN)*
- Corangamite Farm Forestry Network
- Gippsland Agroforestry Network (GAN) – AFG branch*
- Melbourne Branch of the AFG*
- Green Triangle Branch of the AFG.

* - denotes networks and branches interviewed as part of this project.

⁴ Stewart, H. (2009). Victorian farm forestry inventory scoping study: Report to Farm Forest Growers Victoria Inc.

Alliances and affiliations

At a regional level each of the Networks and AFG branches indicated they maintained a range of alliances with other groups to foster their aims. These affiliates included:

- Australian Forest Growers (AFG)
- Farm Forest Growers Victoria (FFGV)
- Landcare
- Victorian Farmers Federation (VFF)
- Catchment Management Authorities (CMA)
- Local Government Authorities
- Department of Primary Industries (DPI)
- Department of Sustainability & Environment (DSE)
- SMARTimbers
- Various private sector service providers.

Overview of regional networks and AFG branches

In the following section, an overview of each of the networks/ AFG branches interviewed as part of this review is provided. The commentary is based on desktop research, reference material provided by interviewees, and interviews undertaken with representatives of each group (details of interview participants and relevant contact details are provided in Appendix 1). Details such as the network's size, reach, activity level, alliances, as well as assessment of the network's capacity and development needs to support its member base are provided. The interviews conducted were not meant to provide exhaustive detailed information but rather to gain an overall understanding of the organisation's situation.

It should be noted that an interview was not conducted with the Corangamite Farm Forestry Network, as the indication was that this group is not currently active.

FFORNE / NE Branch of AFG

The FFORNE/North East Victoria (FFORNE/NE) branch of the AFG was formed as a result of the recent merging of the North East Victoria branch of the AFG and members of the FFORNE Cooperative which was wound up in 2009.

As background, the FFORNE Cooperative was formally registered in 1999 and was a cooperative of approximately 70 land owners in North East and Central Victoria that

planned to be a major supplier of high quality sawlogs to the timber processing industry by 2020. Through 1996 – 1998 many land owners took advantage of government subsidies which encouraged planting of larger blocks (the minimum allowable under the incentive scheme was 10 hectares) of hardwood species such as Blue Gum and Shining Gum. Members of the FFORNE were growing and managing approximately 1700 hectares of native trees for high quality sawlog production. The closure of the Cooperative was a result of inadequate financial resources due the long lead time in realising market returns and the lack of an ongoing sustainable timber resource due to insufficient new plantings.

The FFORNE/NE Branch of AFG currently has 76 members. AFG provides administrative support for the organisation in terms of membership. It also provides insurance for branch activities. The branch engages members through:

- Disseminating copies of AFG magazine and Australian Agroforestry
- Organising quarterly field days / grower walks / meetings
- Facilitating delivery of the Australian Master Treegrowers Program⁵
- Emailing important information and notifications
- Website (via AFG) – however this has very limited information about the local branch.

The branch has affiliations with a range of stakeholders including FFGV; DPI, CMA and Landcare, to foster the interests of its members.

Both the North East Victoria branch of AFG and the FFORNE Cooperative had a strong alliance with DPI from their inception, with key DPI farm forestry staff having a significant involvement in industry development activities. This reliance continues through to the activities of current organisation with DPI staff, albeit in a personal and limited capacity. One DPI staff member fulfils the secretariat role of the branch. It should be noted that these individuals are highly valued by the branch and its members. However, the morale, direction and activity of the branch appears to have been impacted by the realisation that the commercial objectives of the FFORNE Cooperative and its members would not be achieved; the impact of climate variability on expected timber production; and the reliance on and subsequent withdrawal of most DPI farm forestry extension and support services.

From an industry development perspective a number of issues were raised for consideration:

- The need for increased economic assessment/demonstration of the commercial benefit of investment in farm forestry activities. It was suggested the FFORNE

⁵ "The Australian Masters Tree Growers program is primarily a participatory outreach and extension project on agroforestry and farm forestry for farmers and regional advisers. Since 1996 it has delivered educational courses, prepared and provided extension information and tools, coordinated national extension events and supported regional farm forestry networks". Source: Tree Change: The Australian Master Tree Growers phenomenon. (2008). Rural Industries Research and Development Corporation.

program that encouraged plantings of larger areas of hardwood species needs to be carefully evaluated so that findings can provide guidance and future direction for the industry.

- There is a need to not only focus on the commercial outcomes from farm forestry but also recognise the environmental benefits and added landscape value of farm forestry
- There is a need to address concerns about landholders' ability to harvest native timber, particularly around water courses, in the future
- Further research is required into different management strategies (e.g. species selection and spacing) and their impact on productivity in the north east. The work being done in the Carngham agroforestry systems trials was used as an example.
- There is an ongoing requirement for information on species selection, landscape design, spacing, fertiliser recommendations, fire management etc.
- Although members of the branch only engage occasionally, indications are they do value interaction however it is essential that information provided is high quality and targeted
- There is a requirement for industry data in regard to resource inventory.

It was considered there would be value in a person/s to take on an industry development role across the sector to assist with dissemination of information and promotion of the sector.

Shepparton Irrigation Region Farm Forestry Network (SIRFFN)

The Shepparton Irrigation Region Farm Forestry Network (SIRFFN) is an incorporated entity affiliated with Victorian Farmers Federation's and is based in the Goulburn Valley. The Network covers an area from Echuca / Cobram / Yarrawonga in the north and Seymour in the south and is centred on Shepparton. Although the group formed in 1990 and had operated for some 17 years, the network became inactive approximately 3 years ago. At the time it had approximately 30 members however indications are that the potential membership could have been as high as 100.

Whilst active, SIRFFN's aim was to promote commercial farm forestry through provision of information, education, and peer support. It held field days, organised grower meetings, training days and members were supplied with copies of 'Australian Agroforestry'. Over the years SIRFFN has accessed various federal and state funding opportunities to support its aims. It also maintained alliances with the local Landcare groups and the Goulburn Valley Tree Group.

SIRFFN's executive was volunteer-based and had a strong relationship and reliance on the DPI extension services and individual DPI personnel to drive network activities. The

withdrawal of these services three years ago appears to have been the catalyst for the winding back of network activities.

Additionally, drought has had a significant impact on the momentum of the network. When the group first formed in the early 1990s plantings were predominately of species that performed well in a higher rainfall / irrigated environment. Drought and lack of water for irrigation over the last decade has meant that the potential of early farm forestry plantings has not been realised, as many lots have died or been abandoned.

Indications are that landholders in the district are still undertaking farm forestry plantings albeit on a more limited basis than in the early 1990s. Newer plantings in the district are now based on species that perform in low rainfall environments.

There is still demand for information on the potential and practices related to farm forestry as evidenced by the high level of attendance at a local field day held approximately three years ago. Landholders now appear to gather information on tree growing through other networks (formal and informal) however information from these networks is not specifically targeted to farm forestry.

Although the SIRFFN currently does not have the capacity to drive industry development activities, there is potential for the network to be reinvigorated with appropriate resources. This would require a person to provide support with: developing and maintaining their contact database; communication and promotion activities; identifying and assisting in accessing government funds; assistance with organising field days, growers meetings, training days etc.; and networking the group with other stakeholders, including the community, supply chain partners, other networks and service providers (DPI and private).

There is also recognition of the need for greater support of activities at the harvesting and marketing end of the supply chain, so that ultimately returns to growers can be maximised.

Northern United Forestry Group (NUFG)

The Northern United Forestry Group (NUFG) was established in 1998 and is an incorporated entity affiliated with Victorian Farmers Federation. It represents farm foresters in north central Victoria between Bendigo, Echuca, Gunbower and Serpentine. The group has 45 family members and membership is increasing, albeit slowly.

NUFG has affiliations with a range of stakeholders including FFGV; AFG (through individuals membership); CSIRO; DPI, DAFF, local government authorities; local schools, TAFE and community groups; Catchment Management Authorities; Landcare groups, the National Herbarium; Swinbourne University; Latrobe University, the University of Melbourne, other farm forestry networks and SMARTimbers.

The NUGF executive are volunteers and with limited resources appear to be an extremely proactive and professional in their management of the group and focused on

delivering outcomes for their membership. The group is fortunate that within its membership ranks it has a diverse range of skills on which the executive can call to assist with industry development activities.

In 2004, NUFG received the National Landcare Research Award for its research into suitable native trees for farm forestry on Victoria's northern plains. The Kamarooka Landcare Project involves reclaiming 50 hectares of salt affected land using a mix of saltbush, native grasses and farm forestry species. In total through 2004 and 2005, the group established 16,000 trees, 10,000 saltbush plugs, six hectares of direct-seeded saltbush and native grasses and five kilometres of direct-seeded trees. In 2006 grazing trials commenced to research the productivity benefits of reclaiming marginal land. Changes in the soil / water / vegetation balance, and the productivity and biodiversity benefits, are measured through a 'community monitoring program'. Results to date challenge the conventional understanding of how both remnant and new plantings interact with the saline environment in which they live.⁶

NUFG engages its members through a number of mechanisms including: monthly meetings; field days; and email discussion groups. The discussion groups enable results from government funded projects to be communicated and also act as a forum to engage government, researchers and NUFG members in broader analysis and debate.

Additionally NUFG has also developed a range of training programs / materials for its membership and other interested stakeholders – this includes a DVD, poster and field visits to its site at Kamarooka.

From an industry development perspective NUFG members cite their needs as:

- Increased promotion and adoption of farm forestry locally, so as to develop a critical mass of product
- Promotion of the benefits of farm forestry within the broader community
- Access to scientific research
- Ongoing dissemination of information to members regarding selection of species for different uses, salinity management, livestock protection strategies, pruning / tree management
- Support for local research and selection trials and appropriate scientific oversight to achieve improved outcomes both from a commercial and biodiversity perspective
- Support for whole farm planning
- Information about potential markets / marketing strategies
- Support (including financial / grant support) for market / business development activities, such as the development of the biofuel market
- Support in identifying and accessing government funding opportunities.

⁶ Sourced from NUFG website www.nufg.org.au

Until a few years ago NUFG was supported by DPI extension staff. The group would like to see the government reinvestment in extension activities through either through DPI or industry. They believe investment, if targeted correctly and supporting a person in an industry facilitation role, would go a long way to meeting most of the above industry development needs.

One of the issues raised by NFUG was inconsistent support (industry funding / stimulus packages) from federal and state government which sends mixed messages to stakeholders and ultimately undermines confidence in the sector.

Wimmera Agroforestry Network (WAN)

The Wimmera Agroforestry Network (WAN) was formed in 1996. It is an incorporated entity affiliated with the Farm Tree and Landcare Association. The network has 32 family members, of which approximately 10% are city based. Membership is currently static – however there is potentially up to 150 landholders engaged in farm forestry activities. Most WAN members also belong to a separate Landcare group.

The main market for farm forestry in the Wimmera is firewood, however there are also opportunities for hardwood sawlogs. In the district there is one small scale sawmill and two portable sawmills, producing fence posts and red gum stumps for houses. The distance to pulp processing facilities in Geelong, make the pulp market unviable for Wimmera growers.

WAN has a volunteer executive committee of 4 people which meets every 2 months. It has a documented action plan to achieve outcomes for its members. One of the actions is to collect and collate information on the regional farm forestry resource. WAN has alliances with FFGV, DPI, other farm forestry networks, Landcare groups, and is also supported by the local Catchment Management Authority. Through the CMA, WAN has been able to facilitate a Master Tree Growers course for landholders in the region.

In terms of supporting its membership, WAN distributes the 'Australian Agroforestry' magazine to its members and holds 2 grower meetings per year (one incorporates the AGM). The Network did have a website which was supported by the DPI however has not continued to maintain this as it was not considered worthwhile. In 2011 it plans to organise a study tour to the Otways and also undertake a pruning workshop.

From an industry development perspective a number of areas of need were raised in the interview process:

- Need to re-invigorate interest in farm forestry and promote both commercial benefits and landscape value
- Support for new entrants in regard to farm forestry options, and tree establishment / management - through Master Tree Growers program and ongoing peer support

- Support for existing growers in tree management through field days, training days and ongoing peer support
- Access to technical information
- A single point of information - through a state-based website
- Information about potential markets / marketing strategies.

Like other groups, WAN was, until a few years ago, supported by DPI extension staff. The group would like to see re-investment in a role to facilitate industry communication, promotion and extension activities – and to support the volunteer activities of the executive. One key function of the role should be to communicate the importance of best-practice tree management to achieve the best commercial outcomes. This would require following up with growers to ensure they undertook critical activities, such as pruning, on time.

Additionally it was felt that a mentoring program would be extremely beneficial for local farm forestry growers and there might be lessons that could be learnt and applied from the activities of the Otways Agroforestry Network.

The Box-Ironbark Farm Forestry Network

The Box-Ironbark Farm Forestry Network (BIFFN) was formed in 1996 and represents farm foresters in Central Victoria (Avalon, Loddon and Campaspe catchments). This production is predominantly for commercial sawlog production and environmental benefit. The Network currently has 35 members - mostly smaller growers with farm forestry plantings between 5 to 50 hectares.

Over the years the activity of BIFFN has waxed and waned. Initially the group was very active in promoting farm forestry, undertaking industry development activities and supporting its membership. Then the group effectively became inactive but was revitalised in 2004 through a Master Tree Growers Program. In recent years however activity appears to have again waned and the Network is again effectively inactive. This may be in part due to the withdrawal of DPI extension support from the network in the last few years and the difficulty for a volunteer based organisation to maintain momentum. It is worth noting, one of issues raised was the difficulty to find facilities to hold evening meetings. In the past access to meeting facilities was organised by DPI personnel who would be present at the meetings.

Currently there are 4 volunteers on the BIFFN executive management team. Succession within the organisation is an issue and there appears to be lack of direction or purpose for the network at this point in time. The network has been the recipient of a number of grants in the past and although it is not currently actively pursuing grants at this time there are potential opportunities to seek support for developing the biochar market.

BIFFN does retain alliances with FFGV, AFG (through individuals' membership), DPI, local government authorities, Catchment Management Authorities, Landcare, and other farm forestry networks.

As part of the \$20 per annum membership fee, BIFFN distributes the 'Australian Agroforestry' magazine to its members. In the past it has published its own newsletter but no longer has the resources to do this. It does retain a website (www.biffn.org.au). In the future it intends to hold field days and continues to run pruning workshops.

From an industry development perspective a number of areas of need were raised in the interview process:

- Need to continually educate existing growers in tree management practices, particularly pruning, through field days, training days and ongoing peer support
- Information about potential markets / marketing strategies
- Need to collate information about the farm forestry resource in the region. BIFFN have been trying to do this through a FFGV initiative
- Access to technical support, experts and specialist serviced providers
- Access to better biosecurity information / training – currently the main source of information is through the 'Weekly Times'
- Need for emphasis on whole farm planning
- Access to appropriate machinery for small lot farm forestry activities.

It was suggested that ideally it would be good to have a showcase block that the organisation could use for demonstration purposes.

Ballarat Region Treegrowers (BRT)

The Ballarat Region Tree Growers (BRT) was formed in 1998 and operates as a branch of AFG. The organisation grew out of a Master Tree Growers program and through the support of DPI. Its aim is to promote "the benefits of integrating trees into the rural landscape for commercial and environmental benefits to the landholder and the broader community"⁷. There are currently 60 members of BRT, most of which are small landholders from the Ballarat region.

BRT maintains affiliations with a range of stakeholders including FFGV; Birds Australia; DPI; DAFF; local business; local government authorities; Catchment Management Authorities; Landcare; other farm forestry networks and SMARTtimbers.

Like NUFG, the BRT executive are volunteers and with limited resources appear to be proactive and professional in their management of the group, as well as having a focus on delivering outcomes for their membership. The group is fortunate that within its

⁷ Murphy, S. (2009). Recreating the Country: A blueprint for the design of sustainable landscapes. Ballarat Region Treegrowers.

membership ranks it has a diverse range of skills on which the executive can call to assist with industry development activities.

As a branch of the AFG they had the opportunity to host the 2004 AFG National Conference. Profits from this event have provided some financial resources to support the activities of the group.

The group has also developed a joint venture with a local clay mining operation and is developing and managing a 'bio-rich' plantation to demonstrate best-practice farm forestry with commercial and environmental outcomes.

BRT engages its members through a range of activities. Its focus is on meeting existing members' needs as it believes it has captured the majority of the potential landholders that are interested in being involved with the group. Its highlight event is the "Timber Trip" which it has been conducting for the last 10 years. This study tour involves visiting other regions to look at different aspects of farm forestry.

BRT has also recently published a book 'Recreating the Country: A blueprint for the design of sustainable landscapes' which was authored by Stephen Murphy. This book reflects the values and objectives of the BRT group. It outlines a planning framework and general management tools for landholders to successfully integrate agroforestry production and conservation.

From an industry development perspective BRT cite a number of issues that need consideration:

- The need for increased collaboration between DPI and DSE in regard to policy and technical support
- From a policy perspective, a need for environmental outcomes to be recognised as being as important as commercial outcomes
- The need for investment in improved management support / decision making tools such as spatial mapping tools to engage landholders
- Government support (including financial / grant support) for market / business development activities, such as kiln drying facilities.

The group would like to see re-investment in a role to facilitate industry communication, promotion and industry development activities. Ideally a person could work across a number of networks but would need to work closely with each network to add value through building capacity and respect the objectives of each group.

Otways Agroforestry Network

The Otways Agroforestry Network (OAN) was formed in 1993 and originally formed out of Landcare and was funded by the National Farm Forestry Program.

“The Otways Agroforestry Network encourages and supports local farmers to design and implement revegetation projects for the reasons that matter to them. Otways landholders want trees on their farms to shelter stock, control erosion and dryland salinity, attract native birds, enhance property values and if at all possible generate income.”⁸ The network covers an area of some 800 000 hectares south of the Princes Highway from Winchelsea in the east to Cobden in the west⁹ and has a membership of approximately 200 families that pay an annual subscription of \$44.00.

The OAN since its inception has been extremely proactive and driven in its pursuit of delivering outcomes for the community (environmental) and its members (commercial and environmental). The organisation is professionally run and has strived to build capacity into its delivery model. It has not has not relied on DPI for administrative and technical support and, unlike other networks, has not been significantly affected by the withdrawal of DPI farm forestry extension services over the last four years. It is also fortunate that within its membership ranks it has a diverse range of skills on which it can draw to develop and drive industry development initiatives. The network has been extremely successful in attracting funding to deliver services to its members. Its Peer Mentoring Program is a stand out achievement (see below).

OAN maintains affiliations with a range of stakeholders including FFGV; DPI; DAFF; Australian Master Tree Growers Program; tertiary institutions; local community; local business; local government authorities; local CMA, Landcare, other farm forestry networks and SMARTtimbers.

It also provides a package of assistance for its members including:

- Site visits for new members: where the network assists landholders to complete individual farm forestry development plans that identify opportunities and potential related outcomes. This also involves taking new landowners to growers with similar circumstances.
- Access to the Peer Mentoring Program: the peer mentoring program is about farmers working with farmers. The program has clear objectives and involves the provision of support services to landholders involved in farm forestry through a peer mentor. Landholders can receive up to 10 hours of support over 3 years. The peer mentors are fully trained, and compensated for their time (\$40 / hour) and travel. OAN currently has 20 farmers working as mentors and more than 90 farmers that have been through the program.

⁸ Otways Agroforestry Network promotional brochure

⁹ Reid, R. and Stewart, A. (1995). Agroforestry: productive trees for shelter and land protection in the Otways. Second edition. The Otways Agroforestry Network.

- Information and practical support regarding establishment and tree management, and assistance in identifying experienced contractors if required.
- Access to knowledge through written material:
 - Infopak – establishment and silviculture notes, nursery and service providers list
 - “Agroforestry: productive trees for shelter and land protection in the Otways” published by the OAN in 1994
 - “A Web of Trees: Reconnecting the landscape and community” published by the OAN in 2004, which explains the actions and outcomes related to the planned tree plantings in the Yan Yan Gurt Creek catchment
- Ongoing annual events including field days and training sessions. The OAN also hosts the Farm Tree Expo, the most recent one being held in May 2010. The expo attracts approximately 200 participants and looks at arrange of issues to do with farm forestry including: biodiversity, soil carbon, timber, other market opportunities, shelter and shade.

The network has also been proactive in undertaking research at a farm and processing level; identifying and in some cases assisting to develop business opportunities and marketing models.

From an industry development perspective OAN believe the greatest benefit to the sector in their region would be through the continued financial support of the peer mentoring program. They also raised the need for:

- Ongoing R&D
- Access to technical expertise
- Support in developing programs that adopt best-practice extension methodology
- Investment in database of resource inventory (although not a high priority).

It is considered by OAN that investment in a person to undertake industry facilitation role across networks, as has been described previously, would be of limited value to the network. OAN demonstrates strong self-reliance and have developed significant capacity and a delivery model that addresses communication, promotion and fosters industry development, hence their limited need for a person in a facilitation role.

South West Agroforestry Network (SWAN)

The South West Agroforestry Network (SWAN) was originally established in 1995. It is affiliated with Victorian Farmers Federation. The network has been inactive for the last three years and is currently in the process of assessing its future. It maintains a mailing list only, which comprises 35 members. Members are currently supplied with ‘Agroforestry News’, however at there are no organised activities.

A number of factors have impacted on the Network and the local farm forestry sector:

- Decreased DPI activity in the sector over the last few years has had an impact
- The crash in wool prices in the late 1990s had an impact on farm forestry
- Lack of validation of the farm forestry market to drive interest in the sector.

No discuss was held regarding the potential for future industry development activities.

Gippsland Agroforestry Network (GAN)

Gippsland Agroforestry Network (GAN) aims to bring together farmers, professional foresters, landcarers, nursery owners, contractors, sawmillers and advisors. The network was formed in 1992 and since 1997 has operated as a branch of AFG. AFG provides administration support and insurance cover.

The membership, which is drawn from all Gippsland, currently totals 81 and is made up of approximately 50% full members who have voting rights and receive a copy of the AFG magazine and 50% network members who have access to field days. The membership over recent years has been slowly declining predominantly due to the inactivity of DPI in the sector. Indications are, however, that changes in the socio-economic profile of landowners in the region is resulting in more people being interested in farm forestry pursuits.

Like other farm forestry networks the executive committee is volunteer-based and numbers 8 to 10 people. The committee has an annual planning meeting one month after the AGM to determine events for the year and all events are organised by the committee. GAN appears to be effectively run under a sustainable volunteer model which meets the current expectations and needs of members. The administrative support that AFG provides to GAN is considered a significant benefit to the longer term sustainability of the network.

GAN maintains affiliations with a range of stakeholders including FFGV; DPI, local government authorities, private service providers, and other farm forestry networks.

GAN engages its members through a number of mechanisms including: distribution of 'Australian Agroforestry' to all members, distribution of the AFG magazine to full members, maintenance of an information website through AFG and hosting a number of field days, farm walks, meetings (7 events are planned for 2010). The network used to publish its own newsletter but nearly all members now have email so it easier to disseminate important information via this medium.

In recent years, Gippsland Private Forestry, a private forestry development committee, which has now become part of Trees Victoria, completed a comprehensive GIS-based resource audit of private forestry in the Gippsland. This is a useful resource which could be potentially accessed for future industry development initiatives.

A number of other issues were considered to be of important from an industry development perspective, including:

- Access to information and training for landholders in regard to tree management, and in particular, pruning. Occupational health and safety awareness and training are also considered very important.
- Potential to look at greater one-on-one support for farm forestry growers – potential to learn from the peer mentoring program developed by the OAN
- General information about market opportunities, keeping in mind that markets change over the lifecycle of a crop
- Potential to look at Scandinavian integrated farm forestry model and its application in the Victorian context. This would require industry restructuring and a focus on small industry lots.
- Coordination of small lot resources to maximise market opportunities
- Need to coordinate communication and leverage benefits from linking networks across the state
- .Need to promote the benefit of farm forestry activities to the broader community.

Investment in an industry-based role to facilitate industry communication, promotion and industry development activities was seen as a positive initiative that could assist in meeting industry development needs.

Melbourne Branch of the Australian Forest Growers (AFG)

The Melbourne Branch of the AFG was originally a state chapter of AFG, however when state chapters were abolished in a nationwide restructure, the chapter became a local branch. In addition the Port Phillip Agroforestry Network became aligned with the Branch.

The Branch has been inactive for a number of years although it still has approximately 50 members. Members, who are predominantly city based landholders with older plantations throughout Victoria or corporate entities, are keen to see the group again become active. A new president was recently appointed to help drive this process.

Interests of the group focus on harvesting and marketing as the timber resource of many members is nearing maturity. There is also broad interest in policy and advocacy.

Members are currently supplied with the AFG publication, however at this time there are no organised activities.

Feedback from the President indicated that an industry-based role to facilitate industry communication, promotion and industry development activities was seen as a positive

initiative that could assist in meeting industry development needs, however the focus would need to be on the harvesting / marketing end of the supply chain.

Overview of other key stakeholder groups

In the following section, an overview of other key stakeholder groups interviewed as part of this assessment is provided. This commentary is based on reference material provided by stakeholders and interviews undertaken with these groups (details of interview participants and relevant contact details are provided in Appendix 1) and includes details relevant to this report, such as objectives, capacity and ability to support the development of the Victorian farm forestry sector in retail services.

Trees Victoria

The purpose of Trees Victoria is to provide “a state wide forum to act collaboratively on issues related to growing trees and to facilitate the expansion and development of tree growing, carbon sequestration and the associated timber industry in Victoria”. Its endeavour is to undertake activities which will:

- Advance and expand tree growing in Victoria
- Promote the expansion of private forestry as a means of increasing wood supply and carbon sequestration in Victoria
- Facilitate the development of regional infrastructure which is integral to developing and maintaining an efficient timber industry
- Promote community understanding of the timber industry, especially its contribution to areas of economic and social development, and particularly to the environment in this time of climate change
- Liaise with all levels of government to promote awareness of the timber industry in order to gain their active support, and facilitate opportunities for expansion of tree growing
- Provide a statewide collaborative forum to identify and resolve issues related to tree growing.

Trees Victoria is an Incorporated Association which formed in August 2009. Membership is open to representatives of businesses or organisations involved in private forestry industry, including stakeholders engaged in the growing, managing, harvesting, transport, and regional processing and export of logs grown on private land across Victoria. The Association also represents the views of those with an interest in growing fibre for non-wood uses, including carbon sequestration and the production of renewable bioenergy.

It currently has 13 members including: Gippsland Private Forestry (formally a Private Forestry Development Council (PFDC); Central Victorian Farm Plantations (ex-PFDC), North East CMA Plantation Development Services Pty Ltd, Hancock Victorian

Plantations Pty Ltd, Norske Skog Pty Ltd, Alpine MDF Pty Ltd, Insignis Forestry Services Pty Ltd and TreeSmart Australia Pty Ltd.

The Association was formed following the withdrawal of state and federal government funding for the Private Forestry Development Committees. Plantations North East provided start up funding for the formation of the Association and its ongoing activities are supported by project activities. It is currently amalgamating with Gippsland Private Forestry.

Currently, it operates with a part time contract Executive Officer and has office facilities in Wangaratta. The focus of operations is to deliver services to the private forestry industry including provision of information to members and submissions to a range of state and national policy issues. It has a website (www.treesvictoria.com.au) and has facilitated workshops related to the Timber Industry Strategy Implementation for DPI.

Although only recently formed the organisation is professionally run. It is currently going through the process of developing its strategic plan and has already has a demonstrated capacity to deliver project work.

In regard to industry development it recognises:

- The community's perception of the farm forestry / timber industry needs to be improved through better education / communication
- There is a current lack of confidence in the market however there are stronger drivers emerging for the farm forestry sector with the identified future demand for timber resources and the current emphasis on sustainable farming, natural resource management and potentially carbon management
- Interested landholders are often not sure how to engage with the farm forestry sector / timber industry
- The need for having a person/s to facilitate industry communication and promotion (to address above issues), provide a link to DPI wholesale services (R&D / best practice) and assistance with developing links along the supply chain from smaller grower through to processors / larger plantation managers
- The need for improved industry data including an audit of the farm forest resources and management intent. The Victorian farm forestry inventory scoping project which was undertaken in 2009 was suggested as an appropriate model.¹⁰

¹⁰ Stewart, H. (2009). Victorian farm forestry inventory scoping study: Report to Farm Forest Growers Victoria Inc.

Farm Forest Growers Victoria (FFGV)

Farm Forest Growers Victoria Incorporated (FFGV) is the peak industry body acting in the wider interests of farm forestry in Victoria. Its aim is “to create an industry body to promote and advance the farm forestry sector of private forestry in Victoria.

Its objectives are stated as:

- To represent to government, business, and the wider Victorian community, a considered statewide view and policies concerning all issues pertaining to the farm forestry sector as defined below. Policies to be formulated by the committee (and any future professional staff) from the consensus of member groups.
- To promote the farm forestry sector to government, business and through the media
- To maximise benefits to landholders/farmers from involvement in farm forestry
- To explore the desirability and feasibility of creating a commercial branch of FFGV
- To lobby state and federal Government to obtain R&D specific to the farm forestry sector
- To work closely with Australian Forest Growers (AFG) for the benefit of those involved in farm forestry and to brief AFG national office on Victorian issues.
- To work co-operatively with other forest industry associations, farming organisations, and environmental organisations in pursuit of these objectives and to promote the interests of farm forestry.”

FFGV Inc is open to any incorporated group whose members are own or are involved in integrated farm forestry. It's members include: FFORNE / NE Branch of AFG, Northern United Forestry Group (NUFG); Wimmera Agroforestry Network; Box – Ironbark Farm Forestry Network; Ballarat Region Treegrowers; Otway Agroforestry Network; South West Agroforestry Network; Gippsland Agroforestry Network and SMARTimbers,¹¹

In its response to the draft Timber Industry Strategy (June 2009), it states that FFGV was formed because of growing concern in the sector that farm forestry development had stagnated and the fact that both state and federal Government support was rapidly diminishing.¹²

The organisation also highlights the opportunities for the sector – “When the sector is assessed in total it is very significant and has huge potential if it continues to be assisted and encouraged to develop in an organised and cohesive manner.

¹¹ sourced from Farm Forest Growers Victoria website - www.ffgv.org.au

¹² FFGV response to the draft Timber Industry Strategy (June 2009)
http://new.dpi.vic.gov.au/__data/assets/pdf_file/0019/5383/Farm_Forest_Growers_Victoria.pdf

One of the main reasons that it has potential is that landowners and general farmers interested in growing sawlogs have access to land not otherwise available for an expansion of private forestry.

It is also becoming clear that plantations integrated into farms increase overall productivity while providing environmental benefits and an alternative source of income over the longer period.”¹³

Apart from the ability to provide a future supply of high quality saw logs (particularly hardwood), it also acknowledges opportunities for carbon sequestration services and the growing of trees for bioenergy.

FFVG would like to be doing more to develop the sector but lack the financial capacity.

A number of additional issues related to industry development needs were raised or reinforced in the interview process:

- Need for ongoing government support in terms of support for industry development activity both at a resource level and market development level
- Important to have access to R&D resources, including research related to genetics, species selection, processing technology
- Need to develop inventory of private farm forestry resource and match resource with processor demand
- Need to develop the whole value chain and develop effective marketing models.
- Recognition by government that the farm forestry sector is able to deliver significant environmental benefit in parallel with a commercial focus. Government policy settings and co-investment with landholders aligned with environmental outcomes that allow for appropriate commercial focus could significantly improve environmental outcomes and increase the resource base.
- Benefits could be derived from government financial support to stimulate investment in value adding activities – marketing, investment in small saw milling technology to improve efficiency, bioenergy etc.

It was considered there would be benefits in having a person/s to facilitate industry communication and assist with developing links along the supply chain from smaller grower through to processors / larger plantation managers.

Australian Forest Growers (AFG)

Australian Forest Growers (AFG) is the national representative body for private forest growers and it headquartered in Canberra. It has 24 branches in regional forest growing areas and approximately 1200 members that are predominantly farm foresters – either managers of private native forest or of small planted woodlots.

¹³ sourced from Farm Forest Growers Victoria website - www.ffgv.org.au

AFG actively represents its members on issues including:

- Fair taxation for forestry enterprises
- Development of domestic industries
- Access to domestic and export markets
- Ensuring benefits of certification, and from biodiversity and carbon trading
- Codes of forest practice for private growers
- Land use planning that protects the right to manage forests productively.¹⁴

The organisation is funded through membership, commercial arrangements and events. The organisation has a range of affiliations including an MOU with the major processor and corporate grower representative body – A3P, and sits on the Boards of Timber Communities Australia, Australian Forestry Standard and International Family Forestry Alliance.

AFG's invest significantly in communication activities. Its branch network acts as a conduit for information sharing and delivery. It also has a range of other communication resources including:

- A quarterly magazine - Australian Forest Grower.
- An information based website – www.farmforestline.com.au
- A market focused website that provides a trading mechanism for growers / sellers, managers and processors to trade wood products and forest resources on line – www.marketree.com.au
- A biennial conference which is the benchmark national farm forestry conference.

In terms of industry development the key message from AFG was that additional resources are required to promote the integration of forestry into farming systems.

SMARTimbers (Sustainably Managed Australian Regional Timbers)

SMARTimbers is a “co-operative marketing structure for selling small-scale landholders and farmers’ timber, which aims to maximise returns by entering into strategic alliances with furniture industry processors, while ensuring the consumer receives personalised service, quality assurance and a guarantee that the timber is sustainably sourced.”¹⁵

The cooperative originally formed out of a Master Tree Growers Program and came into existence in 2002. In recent years membership of the organisation has been slowly increasing.

SMARTimbers processes approximately 500 tonnes of sugar gums annually. The key markets for product are decking / external cladding; flooring / overlay flooring; and

¹⁴ Sourced from Gippsland Agroforestry Network membership flyer 2010

¹⁵ Sourced from SMARTimbers website – www.smartimbers.com.au

veneer and sales average around \$10,000 per month. A marketing person is employed on a percentage-of-sales basis and only the retail market is targeted.

The organization has also been proactive in investigating other marketing opportunities for its members, including opportunities to generate income from carbon sequestration, firewood marketing and bioenergy.

In terms of industry development the following comments were provided:

- Reduction in DPI forestry service activity over the last few years has had a negative impact on the development of the farm forestry sector. As a result rate of tree planting has reduced.
- Fluctuation of funding / stimulus across federal and state government send mixed messages which undermine confidence in the sector. There would be benefit to the sector in DPI providing long term stable funding so that industry could drive industry development activities.
- Ongoing R&D and extension is important - need assessment sites; information on species selection, land preparation; analysis of farm forestry costs such as harvesting, chipping etc.
- There is a need for greater understanding of the environmental, farm productivity and climate change mitigation benefits that farm forestry provides
- Lack of understanding of market potential impacts on confidence in the sector
- There is a need to map the available resource so that supply profile of the industry is known
- Ongoing promotion of the sector and education about commercial opportunities is important
- Carbon management and demand for renewable bioenergy has the potential to drive growth within the sector

Analysis and discussion

The interviews with farm forestry groups provided an insight into the range of capacity and needs across the sector. The following section looks at the attributes of the sector, the capacity of the organisations and where the greatest industry development needs lay.

Issues impacting industry development

Attributes of the industry

To understand the issues that impact on the farm forestry sector it is first important to understand the attributes that differentiate it from other agricultural enterprise. These include:

- The industry is fragmented and there are many participants, with a range of objectives for being involved in farm forestry. Outcomes sought by landholders may be commercial production, improved farm productivity (shade and shelter for stock, salinity management), environmental (biodiversity, salinity management), aesthetic etc.
- Length of time from planting to harvest of product, which can range from 12 years to 50 years plus
- Lack of financial return to growers through this period, which also impacts on the ability of industry groups to accumulate resources to build industry and organisational capacity
- Farm forestry is not usually the primary source of income for landholders, and has been referred to as an 'interest' rather than an 'industry'. For this reason allocation of time to the pursuit is often a low priority.
- Landholders are diverse in nature – farmers, lifestylers and part-time farming landholders.¹⁶ Some live on their properties and others live in local towns or are city based.
- Often through change of property ownership, the landholder is not the person that planted the trees, so objectives for plantings may change
- There are not clear market signals on which growers can make decisions, in part due to the long term nature of the crop
- Representative organisations such as the networks / branches of AFG operate predominantly on volunteer basis - often other agricultural industries have a

¹⁶ Race, D. (2010). Understanding drivers of landscape change. Australian Forest Grower Magazine Winter 2010.

paid administrator or executive officer that can manage the operation of the organisation.

With the above attributes in mind, there are a number of common issues across many of the networks / branches interviewed that should be acknowledged.

Capacity of networks

Across the groups interviewed there was a range of capacity to deliver industry development services. Behind the success of all networks and branches were a handful of dedicated and passionate people that had a very strong desire to see the farm forestry sector grow, whether it is for commercial or environmental benefit or a combination of both. However in most cases behind this desire there were very limited resources to sustainably support industry development.

Most groups appear well networked at the local level, with Landcare, catchment management authorities and local government authorities; however opportunities to leverage relationships or collaborate with these and other stakeholders are often lost because of lack of resources (time and money).

Most interviewees acknowledged the limitations of a volunteer-driven organisation and the difficulty in maintaining direction, activity and enthusiasm with limited resources.

Some networks, such as: the Shepparton Irrigation Region Farm Forestry Network (SIRFFN); Box – Ironbark Farm Forestry Network (BIFFN); Wimmera Agroforestry Network (WAN); and the South West Agroforestry Network (SWAN), appear to have had a high reliance on DPI staff over the years to support the operation of the network. The withdrawal of DPI services at this level has had a significant impact on the activities of the network. As a result the networks are either inactive or have significantly reduced their level of engagement with members.

The Gippsland Agroforestry Network (GAN) appears to have been able to maintain an appropriate and sustainable level of support for members with the aid of AFG services and processes. Although it should be acknowledged that the secretary / treasurer of the group is a former DPI employee.

The Northern United Forestry Group (NUFG) and Ballarat Region Treegrowers (BRT) groups both demonstrate increased capacity to drive industry development. With a core of committed individuals they have been able to attract funding and support from both public and private sources to develop key demonstration projects such as the Kamarooka project and the clay mine restoration project. This has given the groups a focus, a base on which to build and the ability to attract a broader range of stakeholders – community, business, landholders and researchers – which can be co-investors investors in industry development.

At a regional network level, in terms of industry development, the stand out organisations is the Otways Agroforestry Network (OAN). They have strategically aimed

to build capacity within their network, through their peer mentoring program, to deliver outcomes for the community and individuals. Through a dedicated and professional focus they have been able to attract funding to underpin industry development activities for farm foresters in their region.

There are lessons that can be learnt from the operations of GAN, NUFG, BRT and OAN. The OAN peer mentoring program has the ability to be selectively delivered in other regions to support development of the sector.

At a state level, both FFVG and Trees Victoria have limited resources and therefore capacity constraints. Both organisations appear to be servicing a need to bring the stakeholders together, albeit with a different agenda but with the ultimate aim of strengthening the farm forestry sector. Trees Victoria has made a deliberate attempt to engage the whole supply chain and therefore have commercial businesses as part of their membership. This is perhaps an opportunity to increase investment in the farm forestry sector from the private sector and provide a more resilient financial base to underpin industry development activities.

Although AFG is well resourced in comparison to other stakeholder groups, its focus is on the national agenda.

Industry development needs

Research and development

Access to scientific research was seen as critical by all groups for the further development of the sector and to underpin extension activities. Interviewees covered a range of R&D topics they considered important, including:

- Research related to genetics, species selection, landscape design, land preparation, different management strategies (e.g. species selection / spacing), pest and disease management, fire management, and their impact on productivity
- Economic assessment of production costs / demonstration of the commercial benefit of investment in farm forestry activities
- Research into broader environmental, farm productivity and climate change mitigation benefits that farm forestry provides
- Research into processing technology.

It was also suggested by a number of groups that there is a need for local research and selection trials and appropriate scientific oversight of these to achieve improved outcomes both from a commercial and biodiversity perspective.

Extension and training activities

Access to and delivery of quality targeted extension and training is viewed as essential to achieve growth in the sector and appropriate longer term outcomes for all stakeholders. There is a need for:

- Ongoing dissemination of technical and general information to farm forestry growers. This includes: species selection; landscape design; salinity management; livestock protection strategies; pruning / tree management; fire management; biosecurity issues; occupational health and safety etc.
- Provision of information (as above) through field days and training for both new and existing growers. Ideally technical information should be delivered by experts / researchers / specialist service providers. Training and support could be effectively delivered through the Master Tree Growers and peer mentoring programs.
- Support in developing programs that adopt best-practice extension methodology.

Improved industry data

The need for improved industry data was consistently raised as an impediment to industry development. This particularly relates to data in relation to:

- Resource inventory and supply profile / woodflow plans to be able to quantify capacity of industry and match supply with demand opportunities
- Improved management support / decision making tools to engage landholders
This might include tools such as spatial mapping, critical tree management activities aligned to crop cycle and management intent, etc.

Promotion of farm forestry

There is a need for concerted and ongoing investment in promotion of farm forestry to landholders, other industry stakeholders and the broader community. The aim being to:

- Increase the acceptance and adoption of farm forestry by landholders, so as to develop a critical mass of product for commercial purposes and to deliver commercial, environmental and landscape benefits for landholders
- Educate the broader community on the environmental and social benefits of farm forestry.

Market information and support

There is a need for the farm forestry sector to have better information regarding markets, marketing strategies and market opportunities so that growers and potential growers have increased confidence in the sector. In addition the sector also needs support with:

- Information about and support in building new market opportunities such as carbon management and bioenergy
- Coordination of small lot resources to maximise market opportunities
- Developing the whole value chain and appropriate marketing models.

Build capacity of networks through facilitation

There is a strong requirement to improve the capacity of farm forestry networks and there are many areas of common industry development need that could be delivered more effectively. These include:

- Improved mechanisms for networks to access DPI and other available R&D expertise and capacity
- Improved mechanisms for linking networks with supply chain participants including consultants, brokers, processors and other service providers
- Promotion of the farm forestry sector and engagement with the broader community / media
- Improved internal sector communication: Although the industry is well served by publications such as 'Australian Agroforestry' and 'Australian Forest Grower', there is a requirement for more timely information. The farm forestry sector could be supported by a state-wide website and e-news updates to keep farm forestry organisations and their members up to date on industry issues, field days and other relevant matters. This would assist in linking networks across the state
- Assistance in identifying and accessing government funding opportunities for networks and where possible leveraging opportunities to link networks in delivering services
- Assistance in addressing industry problems that are common across a number of networks.
- Coordination of contact and industry databases across the state.

Investment in industry-based Industry Facilitators to drive and coordinate communication, promotion and industry development activities across networks was consistently seen as a positive initiative that could assist in meeting industry needs and supporting the voluntary contributions of network executives and members.

The industry facilitator/s would need to work closely with each of the networks to understand their objectives and operations; and to provide tailored support that was valued by the network. This additional support may overcome some of the succession planning issues within networks.

It is important that any initiatives continue to build capacity and not undermine the community ownership and volunteer resource of the networks. The intent of the industry facilitator/s' role and DPI's role would need to be communicated clearly to networks so they have clear expectations of the support that could be expected in the future. This is important as a number of networks wished to return to the situation where DPI undertook the majority of the industry extension activities and network administration.

Because of the long term nature of farm forestry, there would be benefit to the sector in DPI providing longer term stable funding so that industry could drive industry development activities through this mechanism.

Recommendations

The following key recommendations are made based on the stakeholder interviews and analysis of industry development needs.

Engagement of Industry Facilitators

It is recommended the DPI fund industry-based Industry Facilitators to build industry and network capacity through:

- Providing improved access DPI and other available R&D expertise and capacity
- Assisting in linking networks with supply chain participants including consultants, brokers, processors and other service providers
- Promoting the farm forestry sector and facilitating engagement with the broader community / media
- Coordinating internal sector communication through a state-wide website and e-news updates to keep farm forestry organisations and their members up-to-date on industry issues, field days and other relevant matters. This would assist in linking networks across the state.
- Assisting in identifying and accessing government funding opportunities for networks and where possible leveraging opportunities to link networks in delivering services
- Assisting in addressing industry problems that are common across a number of networks
- Coordinating contact and industry databases across the state.

Ideally there would be 1.5 to 2 full time equivalent positions to fill this need.

Benefits of including Farm Forestry Industry Facilitators in the Horticultural Industry Network (HIN) may be limited and the structure of HIN meetings may need to be reviewed so that they are relevant for a wider stakeholder group. Areas of commonality would include extension and communication practices; biosecurity; and components of supply chain development.

It is recommended that the most appropriate organisations to host these roles would be those that can provide a state-wide focus. In terms of stakeholders interviewed, this would include Trees Victoria and Farm Forest Growers Victoria (FFGV), however there may be other organisations also servicing the farm forestry sector that may have an interest in facilitating the provision of industry development services.

It is questionable whether in the short to medium term the sector has the capacity to co-contribute funds to supporting these roles. The long term nature of farm forestry limits the capacity of industry groups, such as Trees Victoria or FFGV, to accumulate

resources to build industry and organisational capacity. Hence it is recommended that DPI provide longer term stable funding so that industry can drive industry development activities.

Development of farm forestry database

It is recommended that DPI fund the development of an appropriate state-wide database to collect industry data and develop appropriate management tools to support the farm forestry sector.

The 'Victorian farm forestry inventory scoping study'¹⁷ undertaken in 2009 should be used as a basis on which to proceed.

Peer mentoring

It is recommended that DPI consider funding a pilot program, utilising the skills of the Otways Agroforestry Network, to selectively extend the peer mentoring program to other networks throughout the state. The pilot program should be evaluated to determine if this delivery model has application in other parts of the state. Networks that might immediately benefit and appreciate this intervention would be the Northern United Forest Growers, Gippsland Agroforestry Network and the Wimmera Agroforestry Network.

¹⁷ Stewart, H. (2009). Victorian farm forestry inventory scoping study: Report to Farm Forest Growers Victoria Inc.

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Acknowledgements

The consultant would like to acknowledge all parties who gave their time freely to contribute information for this report.

Appendix 1: Industry Groups

The following industry groups were interviewed as part of this project.

Network or Grower Group	Region	Contact / role	Phone / email / web address
Trees Victoria	State wide	Bernard Young (CEO)	PO Box 1061 Wangaratta VIC 3676 03 57212859 / 0417236840 manager@treesvictoria.com.au www.treesvictoria.com.au
Shepparton Irrigation Region Farm Forestry Network	Goulburn Valley (Shepparton)	Tom Dumaresq	03 58290230 / 0407847353
Northern United Forestry Group	North Central Victoria (Bendigo)	Ian Rankin John Toll James Williams Ken Wellard	Ian Rankin 03 5488 2271 nufg@nufg.org.au www.nufg.org.au
Box-Ironbark Farm Forestry Network	Central Victoria (Bendigo)	Grant Davis	03 5447 7436/ 0428998871 grantdavis@vic.chariot.net.au
Wimmera Agroforestry Network	Wimmera (Horsham)	Iestyn Hocking	03 5387 1503 iestyn@vic.chariot.net.au
Otways Agroforestry Network	Otways (Colac)	Andrew Stewart David Curry Rowan Reid**	Andrew Stewart 03 5236 3277 andrew.stewart@oan.org.au www.oan.org.au Rowan Reid 0409609939 rowan.reid@agroforestry.net.au www.agroforestry.net.au
Gippsland Agroforestry Network (AFG)	Gippsland (Leongatha)	Frank Hirst (Chair)	03 5659 7245 frank.hirst@wideband.net.au http://www.afg.asn.au/branches/victoria/gippsland.html
FFORNE Branch of AFG	NE Victoria (Wangaratta)	Andrew Walpole (Chair)	03 94171646 walpole@bigpond.net.au http://www.afg.asn.au/branches/victoria/north-east-victoria.html
Australian Forest Growers (AFG)		Warwick Ragg (CEO) Moira Goddard (Policy Officer)	Australian Forest Growers 29 Torrens Street, Braddon ACT 2612 02 6162 9000 warwick.ragg@afg.asn.au moira.goddard@afg.asn.au www.afg.asn.au
Ballarat Region Treegrowers (AFG)	Ballarat and environs	Ian Penna (Secretary) (contact only – not available for interview) Phillip Kinghorn Gib Wettenhall	Ian Penna 03 52861247 ipenna@bigpond.com www.afg.asn.au/branches/victoria/ballarat.html
Melbourne Branch of the AFG	Melbourne based; landholders from across Victoria	Pat Groenhout (President)	Pat Groenhout Pat.groenhout@pfolsen.com
South West Agroforestry Network	South West Victoria	Tim Jackson (Secretary)	Tim Jackson DPI Hamilton 03 5573 0976 tim.jackson@dpi.vic.gov.au.

	Smarttimbers (Lismore)	Andrew Lang (Chair)	M: 0409977048 andrewlang@smarttimbers.com.au www.smatimbers.com.au
	Farm Forest Growers Victoria (Ballarat)	David Fisker (Chair)	03 53314589 / 0419873436 dfisker@cvfp.org.au www.cvfp.org.au
		Digby Race*** Senior Research Fellow, Institute for Land, Water and Society Charles Sturt Uni (Albury)	02 6051 9940 0419 638 406
	Agroforestry News & Master Tree Grower (Melbourne)	Rowan Reid	0409609939 rowan.reid@agroforestry.net.au www.agroforestry.net.au
	Ex- Gippsland Private Forestry Development Committee Executive Officer	Rob Willersdorf	c/- East Gippsland Catchment Management Authority 03 5152 0606

* - At the request of Tom Dumaresq, Rhody Bowman from Dpi also attended this meeting

** - Rowan Reid is also the editor of Australian Agroforestry and convener of the Master Tree Growers program

*** - Digby Race is also a member of the FFORNE /NE Branch of the AFG