Landholder attitudes to farm forestry in north Queensland

January 1999

Despite apparently ideal conditions for farm forestry, the level of reforestation in the Wet Tropics region is low. In an attempt to discover reasons for this, researchers from the Rainforest CRC conducted a survey of north Queensland landholders. The survey also questioned the motivations of those landholders who are currently planting trees. As in other parts of Australia and the world, northern Australian rainforests have suffered environmental damage as a result of inappropriate clearing and land management practices. Recognition of the benefits of returning land to conditions similar to those of the past has promoted small scale farm forestry as an effective means for undertaking just such a mission.

Farm forestry has a range of potential benefits including positive economic, environmental, social and community outcomes. In the Wet Tropics region favourable climatic conditions and an abundance of fast growing native species which produce high quality timber make reforestation an attractive option. There is also a range of incentive and assistance schemes for establishing small scale forestry plots available to landholders in north Queensland.

Conducting the survey
In early 1998, questionnaires were distributed to 500 landholders in Atherton, Eacham and Johnstone shires of north Queensland. The survey was restricted to rural land holdings of 10 ha or more - this being the minimum physical area on which a viable plantation can be established. Landholders were questioned about their attitudes towards a number of issues related to tree planting and farm forestry. Just under half of all questionnaires distributed were returned completed. The three main topics covered in the survey were:

- Perceived impediments to planting
- Reasons for planting trees
- Attitudes landholders held about incentive schemes.

Perceived impediments to planting
The most significant impediments to tree planting for commercial purposes identified by landholders were:

- a mistrust of government following World Heritage listing
- a long wait for returns
- fears that regulations may prevent future harvest
- lack of capital, and
- unwillingness to remove land from existing profitable use.

Analysis revealed six distinct categories of impediments with the economic and structural impediments category dominating. This category included factors associated with the uncertainty of future cash flows or concerns that government intervention will place restrictions on landholders in terms of plantation management and harvest.

Reasons for planting trees
Landholders were asked to rate the importance of a number of reasons for tree planting. Analysis of results showed that landholders are motivated to plant trees for three distinctly different reasons as follows:

- Commercial
  Planting for overtly commercial purposes such as producing income or increasing the value of the farm.

- Personal Satisfaction
  Planting for personal benefits to the landholder, such as improving farm aesthetics and producing a legacy for descendants.

- Environmental
  Planting for obvious environmental benefits such as land and water catchment protection. While landholders benefit personally to some extent, it is the wider community that largely benefits from tree
planting for environmental reasons. Commercial reasons for tree planting were rated much lower than environmental or personal satisfaction reasons, suggesting that landholders plant trees for conservation and personal satisfaction, rather than for commercial purposes. There were few differences between shires, with any variation mainly reflecting different land use patterns or environmental conditions.

Attitudes to incentive schemes
Highly rated incentives to encourage tree planting for timber production all fell into the economic incentives category because they were each associated with some form of financial assistance provided directly to landholders. These were:
• secure harvest rights
• tax deductibility of seedlings
• rate remission by local government
• tree planting grants to farmers
• higher market prices for timber, and
• subsidised seedlings.

Significance of findings
Landholder attitudes have been recently surveyed in several areas of Queensland and New South Wales. When findings from all studies are compared, they tend to show that environmental benefits are perceived by landholders as being the most important benefit of tree planting. Economic reasons are generally lowly rated, or rarely mentioned as benefits of tree planting. These combined studies reveal a remarkably consistent pattern of motivations for tree planting, suggesting that these attitudes would be similarly held by landholders in most regions of Australia. Since landholders consistently rate environmental benefits as being far more important than economic benefits, tree planting schemes that incorporate environmental values are likely to be more acceptable than those designed simply to produce commercial timber crops.

As forestry is a long-term activity producing cash inflows long after the major establishment cash outflows, it is not surprising that landholders place greater emphasis on shorter-term benefits such as those that relate to environmental issues and personal satisfaction. Commonly held views about forestry are that there is a long payback period, harvest rights are not assured, there are significant capital and labour requirements and profitability from such enterprises is low.

Policy implications
The most significant impediment to farm forestry indicated in this study was a mistrust of government pursuant to World Heritage in 1988. Following this listing, logging activities in all public north Queensland rainforest ceased, and the availability of rainforest cabinet timbers dramatically decreased.

Considerable resentment apparently persists within some sections of the community, particularly in rural areas most adversely affected by the decision and which do not currently benefit from increased tourism. Despite the commercial opportunity for rainforest cabinet timber production that currently exists, landholders are reluctant to establish plantations, especially those that contain mixed rainforest species. This is due to the concern that the government may intervene and restrict their ability to harvest in the future as they did with rainforests on Crown land in the region.

The policy implications are significant and measures to alleviate these concerns are necessary if governments hope to encourage large-scale plantings for commercial purposes. Reflecting this view, this and other studies rated secure harvest rights and favourable taxation treatment highly as incentives to encourage the planting of trees for commercial timber production.

For more information:
Dr John Herbohn
Accounting and Finance Department
James Cook University
Townsville Qld 4811
Tel: 07 47811245
Fax: 07 47814019
Email: john.herbohn@jcu.edu.au