

Introduction

Over 22,000 people are employed in NSW in forestry, logging and associated manufacturing – the majority in Regional NSW. The \$2.8 billion NSW forestry and wood product manufacturing industry is a significant economic driver for regional NSW, with a softwood plantation sector industry (pre-fires) value of around \$2.24 billion and native forestry sector industry value of \$560 million.

On the South West slopes around 40 per cent of softwood plantations have been lost in the fires; while on the North Coast around 50 per cent of private and public hardwood forests have been burnt.

The impacts of the fires will have a significant affect not only on timber growers but also on downstream parts of the industry such as manufacturing.

This package will provide financial assistance to forestry businesses that have been impacted by the bushfires from 31 August 2019 to assist with the cost of burnt timber storage, haulage of burnt timber from out of area forests, nursery expansion and measures to improve soil stabilisation, road construction and groundcover recovery in fire impacted Private Native Forests (PNF).

The eligible activities and costs have been determined through the development of the Forestry Recovery Plan available on the Bushfire Industry Recovery Package website.

Eligibility Criteria

Eligible Applicants

Eligible applicants:

- Are existing forestry businesses, including forestry and forest product businesses, forest industry contractors, forestry plantation nursery operators who have demonstrated experience in the industry and Private Native Forestry Plan holders
- Have an ABN

State Owned Corporations or statutory authorities are not eligible to apply for Stream 1 as the lead applicant but may partner with eligible applicants for projects.

Eligible Projects

Projects must be related to the:

- Storage of burnt timber as either log, chip or sawn timber
- Haulage of burnt timber out of area, but within NSW
- Increased capacity of nurseries to produce pine seedlings or
- The costs of road and snig track stabilisation and sediment control on unsealed roads in fire damaged areas covered by an existing PNF Plan

Eligible Costs

Eligible costs include:

- Costs related to storage of burnt timber as either log, chip or sawn timber including:
 - Mobilisation and operation of mobile chippers
 - Additional costs for log handling and haulage directly to facilitate burnt timber storage
 - Machine and equipment hire

- Costs for new or leased warehousing capacity for sawn timbers
- Capital and other costs for stockpiling of woodchip
- Infrastructure and equipment required for wet log storage
- Additional costs for water including additional licences
- Costs of haulage within NSW of burnt timber from out of area forests, subject to the eligible amounts and limits detailed below
- Costs for the increased capacity of nurseries to produce pine seedlings including:
 - purchase of seed
 - establishment of infrastructure and equipment
 - purchase of additional water licences
- Costs related to road and snig track stabilisation and sediment control on unsealed roads and areas susceptible to soil erosion per hectare of PNF Plan:
 - Mobilisation and operation of earth moving and road equipment
 - Capital costs for increasing sediment and drainage control measures
 - Machine and equipment hire
 - Ground cover stabilisation measures such as the purchase of native grasses for dispersal and installation of hessian matting
 - Purchase of native hardwood seedlings

Costs that have already been covered / claimed under insurance or other State or Commonwealth programs are not eligible to be resubmitted for funding.

Costs cannot be used for the purchase of land.

Eligible Amounts and Limits

Contributions are available according to the rates below to be matched by an equal contribution from the applicant (except where indicated)

Increase of storage capacity for burnt timber (chip, log or sawn)

Grants for up to \$10 per tonne related to storage of burnt timber up to a maximum of \$6,000,000 per applicant.

Haulage of burnt timber (unprocessed)

Contributions are available up to \$0.10 per tonne for every kilometre hauled which exceeds 100 kilometres from the harvest site to processing facilities located in NSW, up to a maximum contribution of \$30/tonne.

Haulage costs are limited to travel within NSW only.

An applicant contribution is not required in respect of these additional haulage costs, noting that applicants will fund the cost of haulage up to 100 kilometres.

Up to \$20 million is available to support the haulage of burnt timber. This includes \$10 million from the NSW Government and \$10 million from the Commonwealth Government.

Applications for haulage are made in arrears on evidence of expenditure and will be open for up to 12 months or until funds are fully allocated (if within 12 months).

Increased nursery expansion

Contributions are available up to \$0.50 per seedling capacity up to a maximum of \$500,000 per applicant.

Road, snig track and ground cover stabilisation and sediment control for Private Native Forests

Grants of up to \$250 per hectare related to the road, snig track and ground cover stabilisation up to a maximum grant of \$5,000 per fire damaged PNF Plan area.

Co-contribution

Except where indicated, projects must have a minimum co-contribution of 50 per cent of the total project cost. Co-contributions can include direct cash and in-kind contributions to the project. Costs already incurred by businesses for eligible activities (and not already claimed / paid under another State or Commonwealth program or insurance) can be deemed as a co-contribution.

The Application Process

All applications will be completed online. The forms are available at www.nsw.gov.au/bushfire-industry-recovery-package. Applicants will be required to provide the following information:

- Business details such as location, ABN and demonstration of active participation in the industry where appropriate
- Details of the proposed project including evidence of cost estimates for each eligible component
- Costings for activities proposed to be funded by the grant
- Demonstration of matching contribution from the applicant
- Demonstration of fire damage for PNF Plan holders
- A description of how the proposed activities will enable continued operations, support retention of jobs and ongoing economic activity

Getting Support

If you require assistance or advice with your application, please contact regionalnsw.business@dpc.nsw.gov.au or 1300 679 673 for a referral to the appropriate regional team.

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