

Indicator 6.2a: Investment and expenditure in forest management (2026)



This indicator quantifies investment and expenditure in developing, maintaining, and obtaining goods and services from forests. It provides an indication of the long term and short term commitment to forest management, further processing and other forest uses.

Context

This indicator provides an overview of expenditure and investment in the management of forests providing goods and services, including expenditure by state and territory governments on public forest management.

Key points

- Australia's state and territory governments undertake many activities that, together, constitute forest management.
 - A range of state government data on forest management investment and expenditure are presented, but there is limited potential to present the data in a consistent and meaningful way due to significant differences in the classification of activities, in accounting arrangements, in reporting timelines, and in reporting for different tenures.
 - It is therefore also not possible to estimate national public sector expenditure on forest management.
- Data published by the Australian Bureau of Statistics are presented for capital formation, depreciation and inventories in the three sub-sectors of forestry and logging, wood product manufacturing, and pulp, paper and converted paper product manufacturing for the period 2016–17 to 2023–24.

Expenditure by state and territory governments

Australia's state and territory governments undertake many activities that, together, constitute forest management. These include management of weeds and pest animals; forest fire management; soil and water management; forest monitoring; forest health surveillance; forest resource inventories; biological surveys; roads and bridges; provision of recreational opportunities; and silvicultural, harvest and post-harvest and wildlife management practices.

However, state and territory agencies vary in the way they classify activities that constitute forest management, in the detail they provide on expenditure, and in the methods used for accounting for the valuation and depreciation of assets. These differences limit the comparability of investments in forest management between jurisdictions. Accordingly, the data presented below for various agencies vary widely, depending on the nature of the information available, and are generally not directly comparable between jurisdictions.

The general lack of consistent data on expenditure on forest management, and the absence of data for some land tenures (such as many nature conservation reserves), make it difficult to determine the nature of changes in forest management expenditure over the reporting period.

New South Wales

The Forestry Corporation of New South Wales is a state-owned corporation that manages approximately 1.8 million hectares of multiple-use native forests and 34,000 hectares of hardwood plantations, and 230,000 hectares of softwood plantations (FCNSW 2024). It undertakes a range of activities aimed at developing, maintaining, and obtaining goods and services from state forests. These activities include:

- wood harvest supervision and assessment of environmental compliance
- management of weeds and animal pests
- fire management, including hazard reduction burning and bushfire fighting and prevention
- provision of recreational opportunities.

Table 6.2a-1 shows the expenditure in New South Wales across public native forests generally and multiple-use public native forests specifically by the Forestry Corporation of New South Wales, in the period 2016–17 to 2020–21, as well as expenditure on commercial plantation establishment and re-establishment on multiple-use public forests. Across this period reported expenditure on forest management activities in native forests on public land increased by 25% in nominal terms to \$287.8 million. There was a sharp increase in fire suppression expenditure in 2019–20 due to the black summer bushfires. Expenditure on forest management activities within multiple-use forests remained steady across the period for all expenditure categories. For commercial plantations, the Forestry Corporation of New South Wales reported a total expenditure of \$137.5 million over 2016–17 to 2020–21 supporting establishment and re-establishment activities across their estate.

Expenditure in New South Wales multiple-use public native forests by the Forestry Corporation of New South Wales includes Community Service Obligations which are non-commercial activities performed by Forestry Corporation of New South Wales. These activities are partially funded by an annual Community Service Obligation grant received from the New South Wales Government, which totalled \$16.9 million in 2020-21. Primary services funded under the Community Service Obligation include:

- road maintenance for community use
- community firefighting and prevention
- non-commercial forest management
- provision of recreation and tourism facilities
- education and advisory services
- government relations and non-commercial community engagement (FCNSW, 2021).

This commitment to Community Service Obligations by public forest managers acknowledges the wider value public forests provide to society when managed for multiple uses.

Table 6.2a-1: Expenditure on forest management on public land by the Forestry Corporation of New South Wales, 2016–17 to 2020–21

	(\$ million)				
	2016–17	2017–18	2018–19	2019–20	2020–21
Forest management activity ^a					
Native forest on public land – total	230.3	242.0	263.9	270.0	287.8
...of which:					
Fire suppression	4.5	5.7	7	30.2	4.5
Fire mitigation	9.2	10.3	12.1	14.1	9.2
Multiple use forest					
...of which:					
Compliance harvesting	3.1	3.5	3.6	3.2	3.5
Compliance tree-marking	3.3	3.2	3	3.1	3.7
Harvest planning	3.6	4.1	4.1	4.2	3.6
Pre-logging surveys	2.1	1.9	1.9	1.9	2.1
Regulation licence charges	0.8	0.8	0.8	0.9	0.9
Contractor training	0	0	0	0	0.2
Commercial plantations					
Establishing new plantations and re-establishing harvested plantations	23.7	22.1	26.5	26.6	38.6

^a Values for nature conservation reserves and from other public tenures were not available.

Source: Forestry Corporation of New South Wales.

[Click here for a Microsoft Excel workbook of the data for Table 6.2a-1.](#)

Queensland

The Department of Primary Industries is responsible for managing Queensland’s land, water and vegetation resources, including forest resources. Forest Products is a business unit of the Department of Primary Industries and under the provisions of the *Forestry Act 1959* (Qld) is responsible for activities related to the supply of native forest timber and other forest products from public land including state forests, timber reserves, and other state lands.

Table 6.2a-2 shows expenditure in Queensland native forest management on public land as reported by the Department of Primary Industries and related only to commercial production, in the period 2016–17 to 2020–21. Across this period, reported expenditure for native forest on public land, which is entirely attributed to commercial production, increased by 13% to \$19.5 million.

Table 6.2a-2: Expenditure on native forest management on public land managed for commercial production purposes by the Queensland Department of Primary Industries, 2016–17 to 2020–21

	(\$ million)				
	2016–17	2017–18	2018–19	2019–20	2020–21
Forest management activity					
Commercial production ^a	17.3	18.8	19.4	20.1	19.5

^a Commercial production includes all native forest management activities directly associated with the production of commercial wood products and non-wood products. This includes strategic and tactical planning, inventory programs, commercial and non-commercial thinning, harvesting operations, normal regeneration activities, and supplementary seeding and planting.

Source: Queensland Department of Primary Industries.

[Click here for a Microsoft Excel workbook of the data for Table 6.2a-2.](#)

South Australia

ForestrySA is responsible for managing commercial plantations on public land in South Australia's Mount Lofty Ranges. ForestrySA also manages native forest reserves for conservation and recreation purposes in the Mount Lofty Ranges and the Green Triangle Forest area in South Australia's Limestone Coast.

Table 6.2a-3 shows expenditure on native forest management on public land and expenditure on plantations by ForestrySA, for the period 2016–17 to 2020–21. Across this period expenditure on commercial production in plantations declined by 39% to \$11.4 million. The reduction was largely part due to ForestrySA discontinuing direct log export activities in 2018-19, which translated into lower logistics costs. Data are available for infrastructure construction and maintenance, as well as fire management. Expenditure remained relatively consistent in both these areas throughout the period.

ForestrySA is also responsible for non-commercial activities, known as Community Service Obligations, including managing native forests, providing community fire protection, providing for community use of forests managed by ForestrySA and conducting forest industry development (primarily research). ForestrySA's Community Service Obligations are funded via a purchasing arrangement with the Minister for Primary Industries and Regional Development and the South Australia Treasurer. The South Australia Government provided a total of \$4.2 million in 2020-21 to ForestrySA to perform Community Service Obligations on behalf of the government (ForestrySA, 2021).

Table 6.2a-3: Expenditure on forest management on public land by ForestrySA, 2016–17 to 2020–21

	(\$ million)				
	2016–17	2017–18	2018–19	2019–20	2020–21
Forest management activity					
Native forest on public land					
...of which:					
Commercial production ^a	0.0	0.0	0.0	0.0	0.0
Infrastructure construction and maintenance ^b	2.6	3.1	2.5	2.7	3.0
Fire management ^c	1.7	2.0	1.4	1.5	1.7
Commercial plantations					
...of which:					
Commercial production ^a	18.7	16.9	17.6	12.3	11.4
Establishing new plantations	0.0	0.0	0.0	0.0	0.0
Re-establishing harvested plantations	1.7	1.5	1.3	1.2	1.0
Infrastructure construction and maintenance ^b	0.7	0.7	0.7	0.6	0.7
Fire management ^c	0.6	0.7	0.3	0.5	0.6

^a Commercial production includes all native forest management activities directly associated with the production of commercial wood products and non-wood products. This includes strategic and tactical planning, inventory programs, commercial and non-commercial thinning, harvesting operations, normal regeneration activities, and supplementary seeding and planting.

^b Construction and maintenance of forest infrastructure such as roads, walking tracks and fire breaks.

^c Fire management includes firefighting, fire prevention, and use and management of prescribed fire.

Source: ForestrySA.

[Click here for a Microsoft Excel workbook of the data for Table 6.2a-3.](#)

Tasmania

Sustainable Timber Tasmania is a government business enterprise responsible for the management of 821,000 hectares of land including native forests and plantations, recreation and tourism facilities, roads, and other infrastructure. Most of the land managed by Sustainable Timber Tasmania is public production forest classified as 'Permanent Timber Production Zone' land, covering 812,000 hectares. Expenditure by Sustainable Timber Tasmania on forestry operations in 2023–24 was \$141.6 million with expenditure of \$7.0 million on firefighting and fire prevention (STT 2024). Sustainable Timber Tasmania's wood production activities are not funded by the Tasmanian Government.

Sustainable Timber Tasmania receives funding from the Tasmanian Government for the performance of Community Service Obligations in Tasmania's public forests. This funding totalled \$12.1 million in 2023-24, consisting of \$8 million specifically for Community Service Obligations, plus \$4.1 million for fire preparedness, prevention, and recovery. Community Service Obligations are non-commercial activities performed by Sustainable Timber Tasmania, including:

- managing Permanent Timber Production Zone land so it continued to be accessible and available for multiple uses other than wood production, including mitigating and extinguishing bushfires, road and bridge maintenance, and enabling access for recreational and commercial uses
- contributing to statewide fuel reduction burning and fire management
- providing assistance with state fire management in the prevention, preparation and detection of bushfires, and supervising and conducting bushfire suppression on non-production forest and adjoining lands (STT 2024).

Victoria

The Department of Energy, Environment and Climate Action is responsible for managing Victoria's native forests designated as state forests. Management of national parks and conservation reserves is primarily undertaken by Parks Victoria, which collaborates with the Department of Energy, Environment and Climate Action in managing public lands.

VicForests was the separate, government-owned business responsible for the harvest and commercial sale of wood from Victoria's state forests and the regeneration of harvested forests for the reporting period. Commercial native forest harvesting in Victoria's state forests ended on 1 January 2024.

Table 6.2a-4 indicates the expenditure on native forest management by VicForests, related only to commercial production for the period 2016–17 to 2020–21.

Table 6.2a-4: Expenditure on native forest management on public land by VicForests, 2016–17 to 2020–21

	(\$ million)				
	2016–17	2017–18	2018–19	2019–20	2020–21
Forest management activity					
Commercial production ^a	26.9	28.4	31.6	34.6	33.7
Infrastructure construction and maintenance ^b	6.4	6.6	6.1	7.4	10.4

^a Commercial production includes all native forest management activities directly associated with the production of commercial wood products and non-wood products. This includes strategic and tactical planning, inventory programs, commercial and non-commercial thinning, harvesting operations, normal regeneration activities, and supplementary seeding and planting. Commercial native timber harvesting in Victoria's state forests ended on 1 January 2024.

^b Construction and maintenance of forest infrastructure for commercial production.

Source: VicForests.

[Click here for a Microsoft Excel workbook of the data for Table 6.2a-4.](#)

Western Australia

The Forest Products Commission is the statutory authority responsible for the sustainable management and development of Western Australia's forest products industry using native forest, plantation and sandalwood products on land owned or leased by the state. Total expenditure on forest management reported by the Forest Products Commission in annual reports was \$90.1 million in 2020–21 and 2024–25, with lower expenditure reported for the years between 2020–21 and 2024–25 (Table 6.2a-5).

Table 6.2a-5: Expenditure on forest management on public land by Western Australia's Forest Products Commission, 2020–21 to 2024–25

	(\$ million)				
	2020–21	2021–22	2022–23	2023–24	2024–25
Forest management activity					
Forest management expenditure	90.1	76.3	87.4	75.9	90.1

Source: FPC (2025).

[Click here for a Microsoft Excel workbook of the data for Table 6.2a-5.](#)

Case study 6.2a-1: Private plantation management expenditure in the Northern Territory

Plantation forestry is the second largest production land use in the Northern Territory after beef grazing, with about 44,000 hectares of African mahogany (*Khaya senegalensis*) and black wattle (*Acacia mangium*) plantations grown and managed by private enterprises in 2020–21.

The African mahogany plantation is privately managed by African Mahogany Australia and occurs in the Douglas Daly region. It is the largest African mahogany plantation in the world, at about 14,000 hectares in 2020–21. The plantation is expected to produce high-value sawn timber for flooring, fine furniture or veneers after a predicted growing period of 17 to 22 years. Management expenditure from 2016–17 to 2020–21 is as shown in Table 6.2a-6.

The black wattle plantations grown on the Tiwi islands to produce export woodchips for pulp, and totalling about 30,000 hectares, is owned by Tiwi Plantations Corporation and managed by Plantation Management Partners on behalf of Midway Limited. Management expenditure from 2018–19 to 2020–21 is as shown in Table 6.2a-7.

Table 6.2a-6: Expenditure on plantation forest management by African Mahogany Australia

	(\$ million)				
	2016–17	2017–18	2018–19	2019–20	2020–21
Forest management activity					
Commercial production ¹	4.16	4.85	2.43	1.82	2.45
Infrastructure construction and maintenance ²	0.30	0.18	0.20	0.18	0.19
Fire management ³	0.12	0.16	0.06	0.06	0.06

¹ Commercial production includes all forest management activities directly associated with the production of commercial wood products. This includes strategic and tactical planning, inventory programs, commercial and non-commercial thinning, and harvesting operations.

² Construction and maintenance of forest infrastructure such as roads, walking tracks and fire breaks.

³ Fire management associated with plantation management includes firefighting, fire prevention, and use and management of prescribed fire.

Source: African Mahogany Australia.

[Click here for a Microsoft Excel workbook of the data for Table 6.2a-6.](#)

Table 6.2a-7: Expenditure on plantation forest management by Plantation Management Partners

	(\$ million)		
	2018–19	2019–20	2020–21
Forest management activity			
Commercial production ¹	29.0	24.6	11.9
Public roads maintenance	1.2	1.8	0.4
Fire management ²	1.4	1.4	1.4

¹ Commercial production includes all forest management activities directly associated with the production of commercial wood products. This includes strategic and tactical planning, inventory programs, commercial and non-commercial thinning, and harvesting operations.

² Fire management associated with plantation management includes firefighting, fire prevention, and use and management of prescribed fire.

Source: Northern Territory and Ord Valley Forestry Hub.

[Click here for a Microsoft Excel workbook of the data for Table 6.2a-7.](#)

Investment in harvesting and manufacturing

The Australian Bureau of Statistics reported investment in three subsectors of the Australian forest and wood products sector: forestry and logging; wood product manufacturing; and pulp, paper and converted paper product manufacturing. Four parameters measuring investment and expenditure in various sectors of the economy are reported by the Australian Bureau of Statistics. These data are based on random sampling of the industry, so are subject to both sampling and non-sampling errors. Changes in accounting methods adopted by industry, including approaches to asset valuation and depreciation, may also affect the accuracy of values reported. The four parameters are:

- **Gross fixed capital formation (GFCF)** – the total value of fixed-asset acquisitions (such as the establishment of new plantations, purchase of machinery, acquisition of goodwill and intellectual property rights) less any fixed-asset disposals
- **Depreciation and amortisation** – allocation of the cost of an asset over its service life (Fraser and Ormiston 2010) and considered as expenses. The depreciation and amortisation category does not include asset impairment or revaluation in regard to standing timber
- **Capital formation net of depreciation and amortisation** – GFCF less depreciation and amortisation. Reflects net formation of new productive capacity
- **Inventories** – intermediate goods (such as raw materials, fuels, containers), and goods held for sale or distribution. Reasons for accumulating inventory can range from anticipatory investment to over-investment. Reasons for reducing inventory can range from increased sales to impairments in the value of inventory holdings.

Table 6.2a-8 presents data for investment and expenditure in the forestry and logging, wood product manufacturing, and pulp, paper and converted paper product manufacturing subsectors for the period 2016–17 to 2023–24. Across this period there was total negative net capital formation exceeding \$0.5 billion, driven by the forestry and logging subsector, and the pulp, paper and converted paper product manufacturing subsector.

Table 6.2a-8: Investment and expenditure on selected Australian forest and wood products subsectors, 2016–17 to 2023–24

	(\$ million)								
Parameter	2016–17	2017–18	2018–19	2019–20	2020–21	2021–22	2022–23	2023–24	Total 2016–24
Gross fixed capital formation									
Forestry and logging	271	215	37	-330	116	192	125	142	768
Wood product manufacturing	302	324	439	375	385	501	514	432	3,272
Pulp, paper and converted paper product manufacturing	309	234	496	98	52	259	271	223	1,942
Total	882	773	972	143	553	952	910	797	5,982
Depreciation and amortisation									
Forestry and logging	n.r.	300	132	155	202	217	166	n.r.	1,172¹
Wood product manufacturing	214	214	222	369	371	324	427	427	2,568
Pulp, paper and converted paper product manufacturing	n.r.	338	348	407	405	405	397	459	2,759¹
Total	214¹	852	702	931	978	946	990	886¹	6,499¹
Capital formation net of depreciation and amortisation									
Forestry and logging	271 ¹	-85	-95	-485	-86	-25	-41	142 ¹	-404¹
Wood product manufacturing	88	110	217	6	14	177	87	5	704
Pulp, paper and converted paper product manufacturing	309 ¹	-104	148	-309	-353	-146	-126	-236	-817¹
Total	668¹	-79	270	-788	-425	6	-80	-89¹	-517¹
Change in inventory (over previous year/through period)									
Forestry and logging	5	6	27	25	7	21	-41	17	67
Wood product manufacturing	12	2	103	54	43	188	455	100	957
Pulp, paper and converted paper product manufacturing	56	-40	190	-51	-57	n.r.	33	-91	40¹
Total	73	-32	320	28	-7	209¹	447	26	1,064

¹ Totals may be underreported due to missing data.

n.r. = not reported.

Source: ABS (2025).

[Click here for a Microsoft Excel workbook of the data for Table 6.2a-8.](#)

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More information

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Acknowledgement of Country

We acknowledge the Traditional Custodians of Australia and their continuing connection to land and sea, waters, environment and community. We pay our respects to the Traditional Custodians of the lands we live and work on, their culture, and their Elders past and present.

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