

# Statement of Corporate Intent

2026–27



Sustainable  
Timber  
Tasmania



# Strategic direction

**Sustainable Timber Tasmania manages Tasmania's public production forests with care and respect.**

**Our responsibility is twofold: to maintain and promote the health of Tasmania's production forests and to supply high-quality timber to customers throughout Tasmania.**

**We take pride in our sustainable and responsible management of public production forests.**

## Our purpose

The principal purpose of Sustainable Timber Tasmania is to be the forest manager, in accordance with the *Forest Management Act 2013*, for Tasmania's Permanent Timber Production Zone (PTPZ) land for the benefit of multiple users of the land and resource to support economic growth and job creation in Tasmania.

## What we do

- ✓ Sustainably manage the forest estate
- ✓ Sustainably supply timber
- ✓ Sustainably grow our business

## How we do it



### Delivering effectively

We are building a sustainable, effective and consistent business that is valued by our customers and stakeholders



### Developing capability

We are investing in our people and our business, and promoting an educated, skilled and safe contractor workforce with capabilities for the future



### Leading and innovating

We are embracing new ideas and realising opportunities to foster an innovative culture which supports the development of forestry in Tasmania



### Growing value

We are investing in strategies and initiatives that grow and realise the full value of the forest estate and the services we provide



### Listening and engaging

We are building trust and confidence with our stakeholders and the community through genuine communication, engagement and being a good neighbour

## Business overview

Under the *Forest Management Act 2013* Sustainable Timber Tasmania is responsible for:

- ✔ Sustainably managing 812,000 hectares of public production forests across Tasmania, the majority of which are on PTPZ land.
- ✔ Undertaking forest operations for the sale of forest products from PTPZ land. This includes making available at least 137,000 cubic metres of high-quality eucalypt sawlogs and veneer logs per annum.

In addition to the *Forest Management Act 2013*,

Sustainable Timber Tasmania operates in accordance with several other statutes including:

- ✔ *Government Business Enterprise Act 1995*
- ✔ *Forest Practices Act 1985*
- ✔ *Forestry Rights Registration Act 1990*
- ✔ *Forestry (Rebuilding the Forest Industry) Act 2014*



# Our activities

Sustainable Timber Tasmania's core activities include:

- ✓ Land management
- ✓ Sale of forest products
- ✓ Fire management
- ✓ Forestry road construction and maintenance

Sustainable Timber Tasmania's other activities include:

- ✓ Nursery operations at Perth
- ✓ Negotiation and management of harvesting and haulage contracts with Tasmanian-based businesses

- ✓ Management of the Newood Huon site
- ✓ Provision of professional and technical services to external customers on commercial terms
- ✓ Direct sales of special species timber on commercial terms
- ✓ Participation in carbon markets, consistent with any parameters and guidelines issued by the Shareholding Ministers, where this does not conflict with core business

# Community service obligations

Sustainable Timber Tasmania performs a range of community service obligations for Tasmania for the benefit of local communities. This includes:

- ✓ Contributing to the state-wide Fuel Reduction Program
- ✓ Contributing to state fire management in the prevention, preparation, and detection of bushfires
- ✓ Supervising and conducting bushfire suppression on non-production forest and adjoining land
- ✓ Ensuring that PTPZ land continues to be managed, accessible and available for multiple uses



## Support for Tasmanian industry

Sustainable Timber Tasmania aims to maximise opportunities for Tasmanian service providers and in the 2024–2025 financial year spent around \$109 million representing 87% of all our procurement with Tasmanian businesses.

Our procurement policy aims to:

- ✓ Provide opportunities for Tasmanian regional businesses
- ✓ Be guided by the principles of integrity, probity and accountability
- ✓ Seek efficiency and effectiveness in procurement to achieve value for money
- ✓ Undertake procurement transactions in an ethical, fair, and equitable manner
- ✓ Pay eligible supplier invoices on time



## Corporate objectives

To deliver its statutory requirements and meet the Government's expectations, the Board of Sustainable Timber Tasmania has set the following corporate objectives for the business:

- ✓ Professionally manage public production forests to maintain wood resource and other environmental, cultural and economic values
- ✓ Achieve zero harm to our people and contractors
- ✓ Efficiently and effectively make available agreed wood volumes and other services to our customers
- ✓ Achieve and maintain financial sustainability

## Investing for the future

Sustainable Timber Tasmania will continue to invest in initiatives to provide future resource security for industry, enhance asset protection and build capability.

Whilst this impacts Sustainable Timber Tasmania's short term financial performance it is an important contribution to delivering the Government's objectives for industry.

# Summary of the Corporate Plan

Sustainable Timber Tasmania's Ministerial Charter clearly outlines the Government's expectations for the organisation and places a strong emphasis on Sustainable Timber Tasmania's role in being the Forest Manager for Tasmania's PTPZ land for the benefit of the multiple users of the land and resource to support economic growth and job creation in Tasmania.

Throughout financial year 2026, market conditions were soft for both domestic and international sales. There are, however, forecast to improve.

Post financial year 2027, the available native resource volume will significantly decline. In preparation for and during FY2026 Sustainable Timber Tasmania successfully concluded the first large scale competitive process for the allocation of hardwood plantation logs.

The process successfully met its objectives, which were aimed at increasing economic activity in Tasmania as well as delivering an acceptable financial outcome for Sustainable Timber Tasmania. Across all log grades Sustainable Timber Tasmania was oversubscribed.

Sustainable Timber Tasmania is now negotiating new wood supply agreements for both plantation and native logs that will provide industry resource security until 2040.

Cost pressures in the supply chain are ongoing, as is the challenge of maintaining adequate staffing levels for Sustainable Timber Tasmania's customers and contractors. Maintaining contractor capacity and capability represents an important objective.

Sustainable Timber Tasmania's carbon portfolio is growing, and it now has eight registered Australian Carbon Credit Unit (ACCU) projects with more planned. So far, Sustainable Timber Tasmania has generated 36,165 ACCUs from four projects which has a positive impact on financial performance and an uplift in the forest valuation.

The incorporation of Artificial Intelligence (AI) assisted fire detection cameras has delivered a significant change in Sustainable Timber Tasmania's early bushfire warning capability. These cameras detected more than 550 fires across Tasmania during the 2024–2025 fire season, capturing small smoke plumes early and providing real time visual intelligence to emergency crews. In one example, AI detection near St Mary's provided immediate situational awareness that enabled rapid aerial suppression, avoiding potential escalation.

In this Corporate Plan, AI capability will be significantly expanded through the Tasmanian Integrated Fire Camera Network (TIFCN) project, a statewide, multi-agency, AI enabled detection system delivered by Sustainable Timber Tasmania in collaboration with Tasmanian Fire Service (TFS), Tasmanian Parks and Wildlife Services (PWS), and technology partner Indicium Dynamics. When complete, the TIFCN will become Australia's largest integrated bushfire detection camera network.

Sustainable Timber Tasmania also presents its revised Statement of Corporate Intent (SOI) targets for 2026-2027 to 2029-2030, aligned with its updated resource operating model and focus on its long-term financial outlook.



# Performance agreement

## Introduction

This performance agreement sets out the key financial and non-financial performance targets to be met by Sustainable Timber Tasmania in 2026–2027. It also includes estimates for the following three years.

	2026–2027	2027–2028	2028–2029	2029–2030
Underlying net profit (\$M) <sup>1</sup>	(0.86)	2.87	3.17	3.62
Net cash flow from operations (\$M)	9.23	9.7	11.35	7.31
High quality eucalypt sawlogs (m <sup>3</sup> )	120,000	70,000	70,000	70,000
Pruned plantation eucalypt sawlogs (m <sup>3</sup> )	0	50,000	50,000	50,000
Special species sawlogs (m <sup>3</sup> )	5,130	3,380	3,380	3,380
Compliance with Responsible Wood Certification (Zero major NC, minor NCs closed within timeframe)	Compliant	Compliant	Compliant	Compliant
New ACCU projects approved by the Clean Energy Regulator	≥1	≥1	≥1	≥1
ACCU's received	20,000	20,000	30,000	30,000
Lost time injury frequency rate – employees	≤4	≤4	≤4	≤4
Lost time injury frequency rate – contractors	≤10	≤10	≤10	≤10
% of STT staff trained in fire	>70%	>70%	>70%	>70%
Area of PTPZ within 20km of an AI camera (%)	40%	50%	60%	70%
Number of detected fires on PTPZ that become campaign fires <sup>2</sup>	0	0	0	0
Gender representation (% female)	30%	30%	32%	32%
Inclusive employer recognition status	Maintained	Maintained	Maintained	Maintained
% procurement paid to Tasmanian goods and service providers	90%	90%	90%	90%
Modern slavery legal compliance	Compliant	Compliant	Compliant	Compliant

### Notes

<sup>1</sup> Underlying net profit is the operating profit revenue less the operating expenditure for the business.

<sup>2</sup> A campaign fire means a fire that is no worse than a fire designated as "being controlled" status after 5 days.

# Directors' Statement of Corporate Intent and Agreement of Ministers

The Board of Sustainable Timber Tasmania agrees to provide the Shareholding Ministers with financial and other information as set out in this Statement of Corporate Intent.

In signing this Statement of Corporate Intent, the Board and Sustainable Timber Tasmania commits to the targets proposed for the 2026–2027 financial year.

This Statement of Corporate Intent has been agreed between:



**Rob de Fégely AM**

Chair

Sustainable Timber Tasmania on behalf of the Board

**The Hon. Eric Abetz MP**

Treasurer

**The Hon. Felix Ellis**

Minister for Business, Industry and Resources





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