

NZFOREST & WOOD SECTOR FORUM

FORESTRY INDUSTRY SUMMARY FEEDBACK FOR ROYAL COMMISSION OF INQUIRY INTO COVID-19 LESSONS LEARNED

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Introduction

In late 2023, the forestry industry was approached by the Royal Commission of Inquiry into COVID-19 Lessons Learned to provide an early submission.

The New Zealand Forest and Wood Sector forum is a forestry industry Pan-sector group and has asked our member networks to provide responses to a short survey.

This submission is a collated summary of survey responses received from across the forestry industry.

If you have any questions, please contact:

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Forestry Industry Feedback

Initial COVID 19 Period (2020-2021)

Regional health support

✓ **59%**

agreed or strongly agreed

✗ **11%**

disagreed or strongly disagreed

that their region provided sufficient regional health support by way of information on locations of interest, accessible vaccines and tests.

Government's economic response and support

✗ **43%**

rated the response 1 or 2 out of 5 (poor)

✓ **37%**

rated it 4 or 5 out of 5 (excellent)

taking into consideration the wage subsidy and whether they paid their staff 100% of their salary/wages during lockdown, whether workers were laid off due to their business having to close, and gauging the overall financial impact to industry.

Information relating to workers

✗ **19%**

disagreed or strongly disagreed

✓ **51%**

agreed or strongly agreed

that information relating to workers was clear and easily available (e.g. isolation requirements, vaccine requirements, critical worker definitions)

Forestry as an essential service

✗ **68%**

disagreed or strongly disagreed

○ **21%**

neither agreed or disagreed

✓ **11%**

agreed or strongly agreed

that industry was adequately consulted by Government on excluding it as an essential service

What could Government have done better in relation to these areas?

(a selection of responses)

Theme 1: Common sense + consistency of rules. Clarity and reasonable timeframes.

“Been a bit more consistent with the rules.”

“The government were nonresponsive, evaded communication, provided no timelines/frames. Essentially, they hid from all responsibility. They made decisions that f****d people's lives and businesses and have never been held accountable. Govt MP's, Ministers and civil servants used covid as an excuse to hide, not reply and failed to recognize unique circumstances. All for what??”

“The travel in work vehicles where you were only allowed two-people travelling in a five-seat truck and five people in a 12-seat van put huge pressure on our ability to transport our 30 plus workers into and out of the Forest.”

“They needed to consider that not all sectors are the same and therefore the restriction should have been varied.”

“The whole Auckland southern border was a nightmare for staff getting to and from work. They were harassed and virtually treated like criminals when trying to 'cross' the border to work (Auckland to Waikato border); they were delayed by the backlog of cars waiting to 'cross'; and they were left feeling fearful and like they were doing the wrong thing.”

“More timely communication and concise content for business to interpret and apply to own organisation operations.”

“Bit more common sense, our sawmill ended up working (Essential service finally) but our processing plant was not, we were only supposed to cut industrial which is at the centre of log, this caused a lot of friction between the sawmill and processing men as the mill men thought it was unfair, resulting in one guy walking off and divided our workforce for a period of time. Police were also called out twice trying to shut us down as no-one really new what the rules were. Couple of the public rung up abusing us for working saying the rules were just to unclear.”

“More timely communication and concise content for business to interpret and apply to own organisation operations.”

“There was a disconnect between what Government (and MoH) perceptions, and what was really happening.”

Theme 2: Consulted industry and allowed work to continue

“Utilized the enormous number of professional protocols that the industry put together collectively in a very short time frame. Changes that were in effect from midnight on the day of issue were far too short to communicate across a multi shift environment.”

“Government kept us locked down even though we had protocols, access to RAT tests and everything necessary to be able to operate safely. Government were slow to get vaccines and prevented us from using RAT tests even though they were already an accepted part of protocols in other countries. The amount of isolation required was excessive and caused enormous economic loss when it was proven that once a person was at least symptom free they were not contagious.”

“It could have treated the Forest Industry with more respect, by recognising the very low risk of many of its activities and therefore allowing work to largely carry on. We were in the our planting season and risked huge losses of tree stocks with the lockdown, whereas we could easily have planted these safely, and the same with most other regular operations. It was bizarre that neighbouring farmers were able to carry on working, while our workers, who were quite able to travel and work in isolation, were not.”

“Allowed some Silviculture work to continue under covid. Our gangs were on a stay away job planting manuka seedlings, and 65,000 of these were left to die out on the hills at delivery sites as they were not planted. The men were isolated on the job, feeding themselves with accommodation.”

“Recognition early on that forestry work is conducted in remote rural areas, a significant amount of the work has in-built separation distances from other workers, and the blanket approach to our primary industry was not good enough. It has some elements of symptoms that Govt isn't really engaged with the forestry sector, and therefore does not understand what is par for the course or take in to account forestry expert opinions.”

“Vaccination rates and supplies were slow until MOH worked with Maori health providers. This illustrated the best options were often outside (not inside) government.”

“Kept forestry/mills working to keep building products available. Provided free tests to businesses sooner.”

Some positives

“The govts speedy issue of the wage subsidy (for self-employed) was first class. Not only did it help pay the bills, but it maintained mental health. Thank you govt.”

“Nothing, considering the circumstances.”

“Considering no one had ever been exposed to a pandemic like this they did a great job. Forestry is not an essential service, I understand some people were frustrated about not working but lots of people got sick and died so it was about managing the exposure and impact. No one can be angry about that.”

Ongoing Response (2022 onwards)

Top challenges

These challenges were rated as very challenging:

75% Not being able to work i.e. forestry classed as a non-essential service

54% Supply chain disruptions e.g. you could process but couldn't deliver product

51% Changing / clarity of rules / regulations

(56% also rated 'other' as very challenging)

Supply chain + market comments

"Keeping staff engaged, and delivery freight delays in particular from and to overseas destinations."

"Our business is in the forestry sector. We produce products and provide services related to forest harvesting with an emphasis on cable-logging. Forest harvesting is a volatile business. Government overreach resulted in the forest harvesting sector being shut down when prices and demand were moderately good. Log prices dropped during the period after harvesting started again and a storm in the North Island also added pressure to the forestry sector. This caused demand to be significantly reduced.

"Our business was also adversely affected by limitations in availability to parts and service during this time."

"It took a while to move all the older stock and we had to discount pricing, it also resulted in us getting behind with orders."

"We implemented PCR testing for all employees - but Govt then put restrictions on the PCR consumables. We had to purchase directly from overseas suppliers. There were plenty available - but the Govt just made it difficult."

Communication comments

"I could not get replies or answers from ministers and civil servants."

"Websites lead nowhere for information or help."

"MPI was not setup to enable staff to work from home online during lockdown to service the Forestry-ETS. If NZ went into lockdown tomorrow is MPI setup so staff can work from home to service, the Forestry ETS?"

"Senior staff of Ministries such as MPI spent too much time during zoom meetings talking about Covid stats etc versus valuable time spent advancing work at hand."

Border restriction comments

"They closed the border which did not allow me to bring in the essential staff needed to cover aviation directives. There was no avenue to turn to for answers, clarification or understanding."

"I am based in Auckland, with operations outside Auckland, could not travel. Missed many opportunities, and costs skyrocketed to employ people to effectively run my business for me while locked down."

“My one-man Forestry Consulting business could not travel or visit clients. Most activity was put on hold. This resulted in loss of income while business expenses continued to occur.”

Keep working comments

“Staff could easily have worked as they are isolated on machines all day. The crew had to shut down with covid restrictions even through the men could have safely been working.”

“The government hamstringing an industry that could easily have kept going and supported the country.”

Costs of everything skyrocketed, and delays to supplies were common. Border restrictions impossible to manage when shifting between Auckland and Waikato. No allowance made for being able to run our business in a safe manner - blanket ruling over who could and could not work is just dumb. If we could work in a distanced manner as required then we should have been able to continue working.”

Rules comments

“Clarity of rules to operate and staff requirements to work and the delivery of that information in a timely manner.”

“Stupid rules - A helicopter pilot was spraying for gorse on a farmers paddock, but across the fence he wasn't allowed to spray the gorse on Forestry land.”

“No warning of lockdown no time to get financially secure having to come up with a COVID-19 workplace policy was quite challenging. Big costs involved extra work vehicles because you couldn't run any more than two people in a vehicle.”

Other comments

“Mostly around the vaccine, 80% got vaxed 20% didn't. Our sawmill cut but by the time we cut a lot of our logs were starting to stain we could only sell green. Industrial which resulted in more timber sitting around, once we were back into it, we had a lot of sap stain issues.”

“Initial training of forestry employees was challenging, implementing new ways of training. Zoom training, zoom meetings. Long periods of time having to work from home. Not being able to travel to crews. Withdrawing contractor training due to closure of crews.”

“Behind on paying taxes.”

“Huge financial losses.”

“Nothing major. We coped. We are a supplier of testing services to the pulp and paper sector so while there were initial restrictions these were lifted quickly.”

“All these measures later proved to be needless.”

“As a port dealing with log exports, we had no issues and were very well informed.”

What did Government not do that would have benefited us as an industry?

Theme 1: Allow us to keep working

“The Govt did not recognize that shutting down the sector impacted on our social license and acceptance by politicians the rural sector. Nothing was done to remedy that.”

“Allow better continuation of business with restrictions on groups.”

“...a one-size-fits-all approach often does not work well. The forest-harvesting sector in New Zealand is, in many respects, leading the world in innovation and efficiency. Forest harvesting requires a high level of trust and unity within a logging crew. The harvesting sector is very experienced in managing risks and the government should have let the forestry industry manage risk as part of their usual professional processes.”

“Should have used risk assessments and individual assessments for determining critical industries that could operate. NZ was the only country that closed forestry while grape harvesting was considered essential!!!”

“They should have classed forestry as an essential business, forestry being the 3rd largest export earner in NZ.”

“Take into account the ability for large manufacturing businesses, such as those related to forestry, to work in a socially distanced manner. Did not trust companies to operate in a 'safe' way that allowed staff to come to work and be productive to keep the country ticking over while still remaining well.”

Theme 2: Consult with industry and allow self-regulation

“Given clear and concise guidelines and involved the industry instead of making rules and leaving the sector/industry to figure it out by themselves.”

“Much greater and wider consultation with industry representative could have easily found a way to allow regular forestry operations to continue.”

“The government could have allowed industries to set up COVID rules and then monitor compliance and effectiveness.”

“Allowed us to work earlier, although that was a two-edged sword as we were in a downturn at the start and this allowed the stocks to decrease in China.”

“Lack of consistency. Allowing industries like the wine industry to continue operating as an essential service did not seem reasonable given the forest industry was required to cease work.”

“Allow self-regulation.”

“Safety and HR managers had to work really hard and long hours just to keep ahead of the rules and then to find the resources (or complete negotiations) to meet requirements, without models to follow. While some had it much easier, there was little help and support for this group of managers that bore the brunt.”

Theme 3: Provide better support and communication

“Provide time frames in order to plan/manage business and budgets.”

“Provide support. Provide communication. Provide help. Supply answers to life changing questions.”

“They failed to be present. They failed to provide solutions. They failed to communicate. They failed in humanity!”

“Ministry staff should have been able to work online from home to continue their servicing role and interaction with clients.”

Theme 4: Reconsider the vaccine

“Not mandated the vaccine. Hindsight - Many people did not need to have the vaccine.”

“Remove vaccination mandates.”

“Looked after the people who suffered as a result of being forced to get vaccinated and then get adverse side effects.”

“Hindsight will tell you that there was no pandemic, it was a massive over reaction that many Governments over the next 20-years will be hindered trying to re-pay the huge amounts of debt we are hindered with while the country was shut down and money handed out to all and sundry.”

Other comments

“Able to bring in planters from overseas (forestry could of provided quarantine facilities).”

“Remove managed isolation hotels.”

“Leave provision for individuals that ran out of sick leave when company had opted out of subsidy.”

“Should not be paying taxes for a year for those affected.”

“Get us to help with opening roads . We have got the machines Bulldozers, Diggers chainsaws to cut trees that covered the roads.”

If you believe ALL of the forestry sector should have remained open as an essential service, what could we do to ensure that happens if there is a next time?

Theme 1: Allow forestry to self-manage risk

“Put in place an agency that has the authority to allow individual companies to operate if they meet CV criteria.”

“Allow industry to set their rules to manage risk, and ping (penalise) those who fail to follow the rules.”

“...We should be able to submit a safety system that is approved and continue to operate. The cost of stopping is enormous.”

“The forestry sector has systems in place already, learnings have been taken form the Covid-19 experience.”

“Use protocols that were put in place when we were allowed to return to work early.”

Theme 2: Acknowledge the isolated nature of the majority of forestry work

“Masks in shared transport, distancing at work.”

“Harvesting and trucking, where roles are mechanised and it’s easy to isolate and protect workers.”

“Let the govt know that as above sawmills and processing plants can easily operate with people working in their own bubble, smokos were easy as people brought their own flasks for hot drinks and had smoko at their stations.”

"Simple. One man one machine and one person per vehicle. Online toolboxes and meetings. Where contact is essential small groups or cells. Paperless transactions."

"We have policies, most people are driving a single machine as a single operator. The issue to confront is traveling in single utes to get to work, but not a biggie for most. H&S can be completed daily electronically, or recorded over the RT radio."

"Take the document prepared by FiSC in 2021 for that purpose and implement it."

Theme 3: Communication and clear, reasonable rules

"Find a way to get Govt to take forestry seriously and engage regularly to get a better understanding of the industry."

"Far better communication with the industry."

"Under same circumstances, having clear understanding and guidelines in place prior event so businesses can have processes in place and risk mitigation plans already identified."

"Need some rules to follow and protocols."

"Have an open enquiry without all of the out of scope rules that prevent the real issues being discussed."

"Better communicate that forestry is a value chain that cannot be easily stopped and started."

"The issue being if construction companies are unable to continue to work then there is no point manufacturing materials that can't be delivered. The whole chain needs to be able to continue somehow to keep the country moving."

"Emphasize the importance of wood supply chain to down-stream industries. Also lower risk from people not in close contact with one another in forest - manage through bubbles."

"Forestry is a major economic pillar that underpins this country - we need to ensure that we are an essential service and not shut down again."

Other comments

"The Forestry-ETS IT system Tupu-ake requires a major overhaul in the current environment. It requires urgent upgrade in readiness for the next virus shutdown."

"Optional vaccine."

"Difficult to answer as the level of desired and safe work contact will be surely pivoted around having a successful anti-virus jab. If this is available, then work can resume much faster than what occurred."

"Yes covid is just a flu, a complete joke."

"Vaccines are causing more harm than good."

"The government departments did a great job, excellent communication, allowed the industry to work on its own solutions."

"Next time, don't listen to the government. Keep people at work. Don't mandate workers to have the vaccine. Don't treat people who do not want to be vaccinated like second rate citizens. Let adults sort their own health out, they are not idiots!"

"Depends what other countries are shut e.g., China was shut we could not get logs out anyway."

Financial Impacts

Estimated total subsidy received

Nil / didn't apply	11%
1-50k	37%
51-200k	26%
201-500k	6%
500k plus	20%

Estimated total lost revenue

Less than 100 k	27%
101-800 k	30%
801 k – 2 m	30%
5 m PLUS (ONE SAID 60M)	13%

Money spent complying

Less than 20k	50%
20-50k	25%
51k - 100 k	7.5%
100k plus (one respondent said 10M)	17.5%

Estimated lost revenue due to ongoing hangups from COVID-19 (e.g. supply chain)

Nil	13%
Less than 500k	34%
501k - 1M	3%
1.01 M - 5 M	19%
5 M Plus	19%
Not sure	13%