Regional Fact Sheet

# Te Matau a Māui/Hawke's Bay

March 2024

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Te Uru Rākau New Zealand Forest Service

**Current state of the forestry and wood processing industries in the region**

The Hawke's Bay region on the East Coast of New Zealand, connects to the North with the Gisborne region and to the south with Manawatū-Whanganui region. It has a mild climate which is warmer than the New Zealand average. Te Uruwera, Whirinaki, Kaweka and Ruahine forests serve as a natural frontier between the region and the Bay of Plenty.

**10.7 billion**
Regional GDP for year ended March 2022 (3% of National GDP)

**383 million**
GDP in Forestry, fisheries and mining for year ended March 2021 (1.86% of the GDP for the region)

**822**
Number of new dwelling consents for all construction for the year ended December 2023 (6.9% annual percentage change)

**182,700**
Estimated regional population year ended June 2022 (3.6% of New Zealand's total)

**58,769**
GDP per capita for year ended March 2022

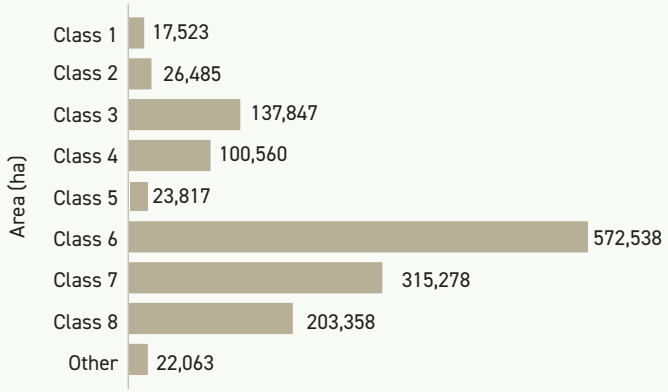
**27%**
Population that identifies as Māori – 2018 Census (15% nationally)

*Source: Stats NZ.*

## Land use capability

The Land Use Capability (LUC) system classifies land into eight categories based on its ability to support various productive uses over time, considering physical constraints and specific management requirements.

*Figure 1. Area in hectares by LUC class. Source: LUC database*

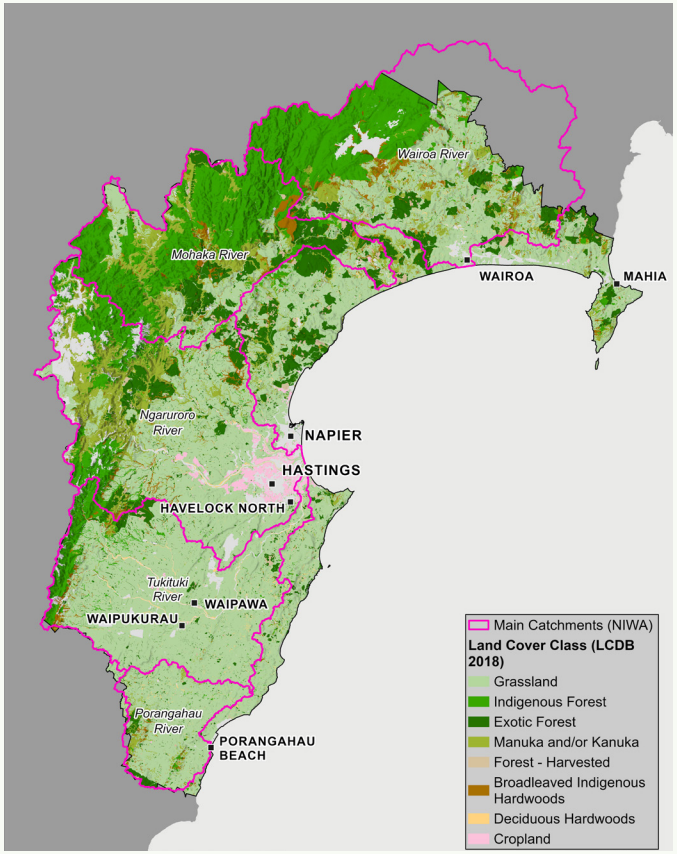



12.8% of the land area in the region is classified as Highly Productive Land (LUC 1 to 3). 40.3% of land area in the region is classified as LUC 6. 36.5% of land area in the region is classified as LUC 7 and 8 (land from slight to severe limitations for productive land uses).

*Sources:* Our Environment – Manaaki Whenua Landcare Research and Target land *and* land use capability classes – MPI .

## Existing land cover

*Figure 2. Map: Land cover in Hawke's Bay. Source:* Land Cover Database (LCDB5) – LRIS. View a high-resolution version of the land cover in Hawke's Bay map.



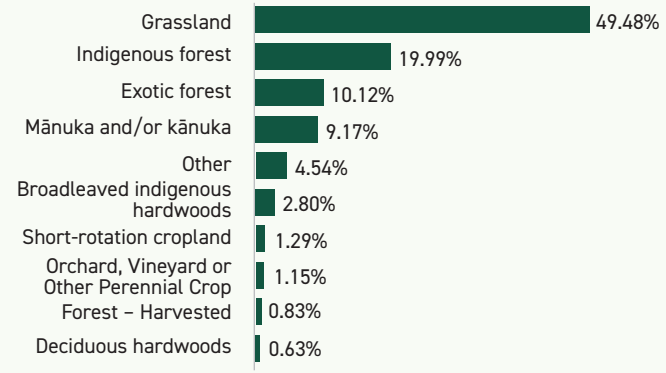

Hawke's Bay total land area is 14,139 sqkm (1,413,900 hectares) making up 5.37% of the total area of New Zealand.

*Source:* Geographic boundary viewer – Stats NZ

The four largest catchments in the region are the Ngaruroro River (336,051 hectares), the Wairoa River (262,901 hectares), the Tukituki River (249,853 hectares) and the Mohaka River (242,686 hectares). All the other catchments in the region are less than 4,000 hectares.

49.48% (702,052 hectares) of the region's land is covered in grassland followed by 19.99% (283,672 hectares) covered by indigenous forest and 10.12% (143,219 hectares) covered by exotic forest.

*Figure 3. Percentage of different land covers in Hawke's Bay. Source: Land Cover Database (LCDB5)*




## Existing forest cover using LCDB[1]

**Exotic forest** covers 10.12% (143,619 hectares) of the region's total land area.

**Deciduous hardwood** such as willows, poplars, oaks, elms and ashes, cover 0.63% (8,905 hectares).

**Indigenous forest** covers 19.99% (283,672 hectares) of the region's total land area.

**Mānuka and kānuka**, which can act as a nursery crop in a reversion towards forest, covers 9.17% (130,117 hectares).

**Broadleaved indigenous hardwoods** such as wineberry, mahoe, *Pittosporum spp*, fuchsia, tutu, titoki and tree ferns, cover 0.49% (6,956 hectares) of the region's land.

**Forest – harvested** includes bare ground where exotic forest was harvested or, less commonly, indigenous forest. It covers 0.8% (11,783 hectares) of Hawke's Bay.

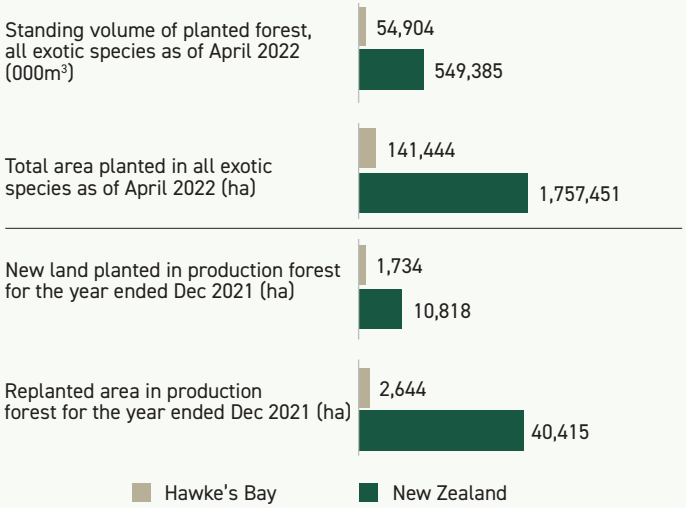
**Other** includes urban settlements, gravel, rocks, lakes, rivers, sand, among others. It covers 4.5% (64,429 hectares) of Hawke's Bay.

*Source and forest type definitions: Land Cover Database (LCDB5)*

1 Land Cover Database (LCDB5) – 2018

## National Exotic Forest Description (NEFD 2022)[2] for Hawke's Bay

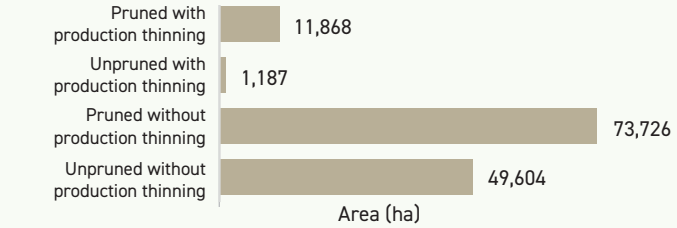
*Figure 4. Comparing Hawke's Bay and New Zealand on key exotic forestry facts for the year 2022. Source: NEFD 2022*




The average age of the exotic forest in the region is 18.8 years compared to 18.6 years nationally.

29.9% (40,753 hectares) of the total planted area of *Pinus radiata* forest in Hawke's Bay is of potentially harvestable age (age 26-30 years). Compared to 21.2% of the national total planted area that is of potentially harvestable age.

*Figure 5. Number of hectares of pruned and unpruned regimes of Pinus radiata in Hawke's Bay. Source NEFD 2022*




12,807 hectares of the region's forests are between 40 and 1,000 hectares in size and owned by 97 forest entities. 106,674 hectares are between 1,000 and 10,000+ hectares in size and are owned by 21 forest entities. 21,953 hectares are forests of less than 40 hectares in size.

2 The 2022 National Exotic Forest Description (NEFD) – MPI provides a detailed description of New Zealand's planted production forest.

*Table 1. Total net stocked area in hectares per forest ownership type. Source: NEFD 2022*

| Ownership type | Total New Stocked Area ( hectares) |
|---|---|
| central government | 590 |
| registered public company | 666 |
| local government/state owned enterprise | 4,824 |
| other | 16,915 |
| privately owned | 118,449 |

The area of *Pinus radiata* forest in the region is 136,385 hectares, equivalent to 96% of the exotic forest species in the region. Other exotic forestry species are: 0.3% Douglas-fir (433 hectares), 0.3% cypress (363 hectares), 0.9% eucalyptus (1,239 hectares), 1.1% other softwoods such as redwoods (1,539 hectares) and 1.1% other hardwoods such as acacia and blackwood (1,492 hectares).

*Figure 6. Proportion of exotic forest species in Hawke's Bay. Source NEFD 2022*


## Wood Availability Forecast (WAF)

*Figure 7. Wood Availability Forecast (WAF) scenario 3 for Hawke's Bay, in 000 m³. Source: WAF 2021*

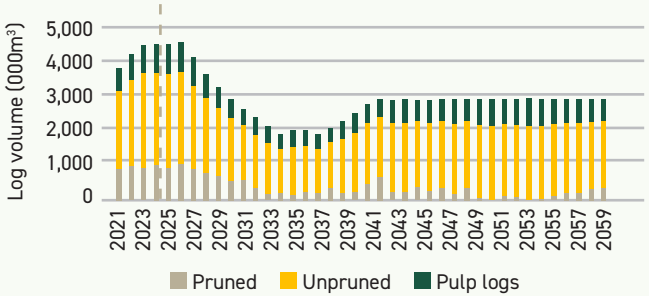



Figure 7 shows the availability of pruned, unpruned and pulp logs between 2021 and 2060, for the region. Wood availability is forecast to drop under 3 million cubic metres per annum from 2030 onwards, with 2037 being the lowest at 1.9 million cubic metres. From 2038 onwards the wood availability is forecast to be between 2.0 and 2.9 million cubic metres per year.

*Source* WAF August 2021 – Scenario 3 – Canopy

## Markets

*Figure 8. Percentage of exports vs domestic processing of logs for Hawke's Bay in 2023. Source: Levy Trust data for year ended December 2023.*


In 2023 in Hawke's Bay:

- 2,393,826.0 tonnes (89%) of logs were exported from Napier Port and 282,076.6 tonnes (11%) went to sawmills registered in the region.
- Napier port exported 12.1% of national log exports.
- 282,076.6 tonnes of logs went to sawmills registered in Napier region contributing to 2.5% of the total log volume processed domestically.

## Forestry and wood processing supply chain

### Nurseries

There are at least 10 nurseries in the region producing native species.

### Wood processing

There are wood processing plants in the region producing sawn timber and pulp and paper. There are at least 12 other wood processors producing less than 25,000 m³ of panels and/or sawn timber per annum.

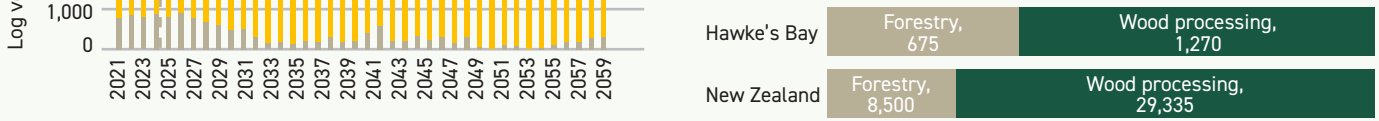
In 2023:

- Hawke's and Tairāwhiti Bay produced 99,038 m³ of **sawn timber**. This is 7.1% of New Zealand's total sawn timber production for the period.
- Hawke's Bay and Tairāwhiti produced 4,041 m³ of **panels**. This is 0.3% of New Zealand's total panels production for the period.
- Hawke's Bay and Tairāwhiti produced 32,366 air dry tonnes of **pulp**. This is 9.1% of New Zealand's total pulp production for the period.

*Source: Quarterly production statistics MPI. Statistics for calendar year 2023 (Jan-Dec). This data includes only mills that report data quarterly. Data from mills that report annually is not included.*

## Workforce

*Figure 9. Comparing the numbers of workers within forestry and wood processing in Hawke's Bay and New Zealand. Source: NZIER 2021*




In 2021, the potential workforce in the region was 111,600 people, 70% (77,838) of whom were working.

In 2021, an estimate of 37,835 people worked in the forestry and wood processing sectors in New Zealand. There were an estimated 1,945 workers in the forestry and wood processing sectors in the Hawke's Bay region.

During the same period, 1% (675 people) of the workforce in Hawke's Bay worked in forestry and 2% (1,270 people) in wood processing.

*Sources: Stats NZ – 2021 data,* Forestry and wood processing labour force survey – NZIER July 2021 (PDF, 1418 KB)

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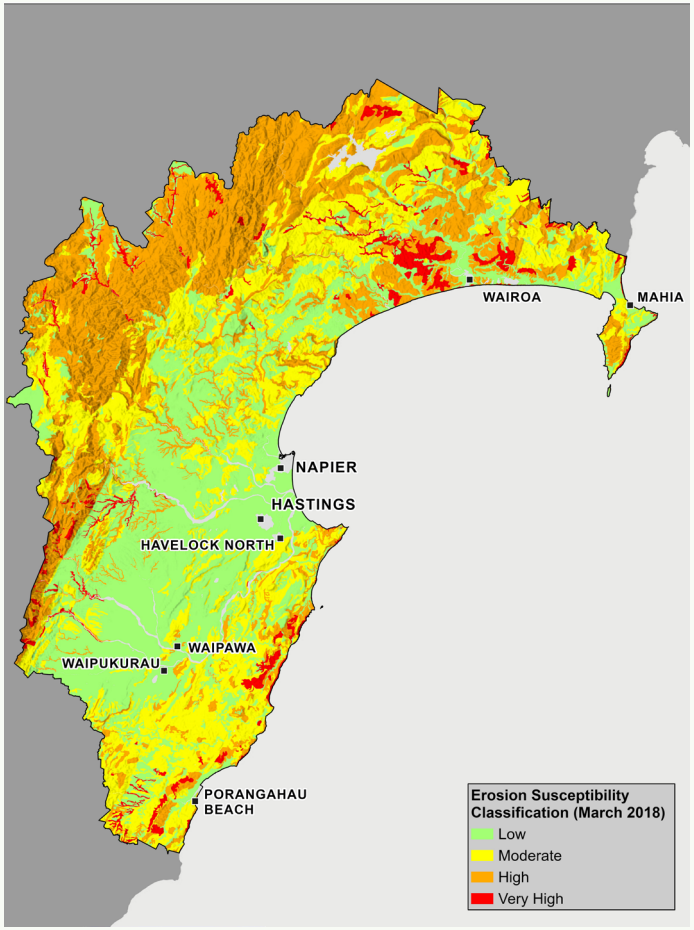
Te Uru Rākau New Zealand Forest Service

## Erosion

*Figure 10. Erosion Susceptibility Classification (ESC). Source: MPI.* View a high-resolution version of the Erosion Susceptibility Classification map.




Around 4.1% (57,485 hectares) of the region's land is classified as very highly susceptible to erosion and 32.3% (458,866 hectares) are classified as highly susceptible to erosion using the ESC (Erosion Susceptibility Classification) (See Figure 10), compared to around 13.1% (3,472,477 hectares) and 19.2% (5,083,013 hectares) for New Zealand.

## Poplar and willow poles

Poplars and Willows are widely used in the region for hill country erosion control, shelter belts, livestock shade, drought fodder and timber (poplars).

Hawke's Bay Regional Council's (HBRC) poplar and willow nursery was damaged by Cyclone Gabrielle. The nursery now has been refurbished and is providing a selection of poplar and willow poles for the region, although not at full capacity. Going back to full production is expected after two years.

Demand for poplar and willow poles has increased after the weather events of early 2023. HBRC is exploring increasing the capacity to supply more poplar and willow poles through opening new pole nurseries in the near future, in collaboration with iwi or other councils.

## Recovery after Cyclone Gabrielle

The Woody Debris Cyclone Recovery Fund (WDF), administered by Te Uru Rākau – New Zealand Forest Service, awarded Hawke's Bay Regional Council (HBRC) $4.07 million dollars for the removal at least 40,000 tonnes of woody debris from priority catchments in the Hawke's Bay.

HBRC has focused on the cleaning of water ways including Waipawa, Tutaekuri, Aropaoanui, Wairoa, Mangaone and Upper Esk rivers, and Mangapikopiko Stream. HBRC is expected to complete their project in March 2024. As of 5 February 2024, they have recorded the removal of 55,717 tonnes of debris under the WDF.

HBRC in conjunction with Hastings District Council, established the Silt Recovery Taskforce (SRT), due to the amount of silt deposited on orchards, farms, roads, and residential properties across the region following Cyclone Gabrielle.

As of 16 January 2024, the SRT have cleaned up 1,485,000 $m^3$ of silt with an additional 1,375,000 $m^3$ yet to be collected. The taskforce collected silt, mixed waste, and debris, including woody debris.

In February 2024, an additional $40 million of funding was assigned to Hawke's Bay to continue with the removal of silt and debris in the region.

*Sources:* Woody debris being removed from rivers and beaches across the region – HBRC, Cyclone Gabrielle recovery: advice, support and funding – MPI

## Government funding

**One Billion Trees:** As of December 2023, $10 million in funding from the One Billion Trees fund has been approved for direct landowner and partnership grants in the region.

A total of 3,016 hectares were planted in the region using the One Billion Trees fund.

The fund, part of the One Billion Trees Programme, is now closed to new applications. The programme's goal is to plant a billion trees by 2028. One Billion Trees Programme – MPI.

**Provincial Growth Fund (PGF):** As of 30 September 2023, $175 million in funding has been approved for projects in the region.

Through this fund, the Government seeks to help build a regional economy that is sustainable, inclusive and productive.
The Provincial Growth Fund – Kānoa.

**Hill Country Erosion (HCE) Programme:** Since 2008, $9.7 million in funding has been approved for projects in the region.

Between 2019 and 2023 alone, the HCE Programme helped protect almost 2,000 hectares of erosion-prone land in Hawke's Bay. The funding supported native (indigenous) reversion projects and the strategic planting of poplar and willow trees.

The HCE Programme is a partnership between MPI, councils and landowners to support regional erosion-control projects.
Hill Country Erosion Programme for councils – MPI.

## Indigenous forestry

In 2022, mātai was the indigenous species with the most volume delivered to mills in the region.

*Table 2. Log volumes in $m^3$ delivered to mills in 2022 in Hawke's Bay. Source: Indigenous Forestry – MPI.*

| Species | $m^3$ |
|---|---|
| **black maire** | 13 |
| **mātai** | 124 |
| **red beech** | 14 |
| **rimu** | 5 |
| **tōtara** | 38 |

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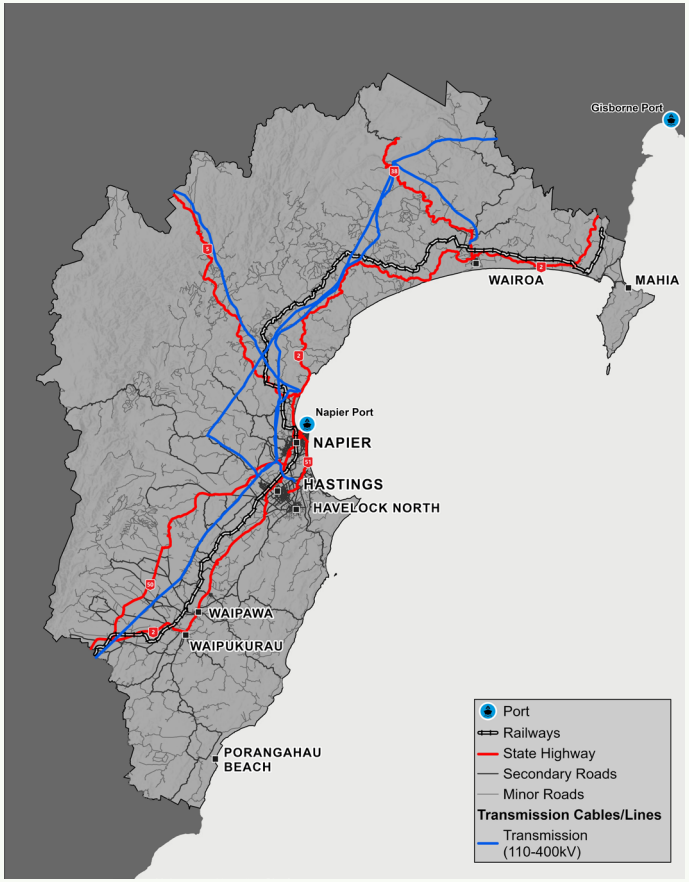
## Infrastructure

*Figure 11. Map of key infrastructure across Hawke's Bay.* View a high-resolution version of the infrastructure map in Hawke's Bay




*The power lines information on this map may be incomplete. The information that is currently displayed is what MPI had authorised access to at the time of creating this fact sheet.*

### Roads

State Highway 2 (SH2) and State Highway 5 (SH5) connect Hawke's Bay to other regions. SH2 connects Hawke's Bay to Tairāwhiti in the north and connects with SH5 at Whirinaki, before heading south towards Napier and Hastings, and out of the region. SH5 is the main entrance to the region from the Central North Island.

State Highway 50 (SH50) connects different part of the region before connecting with SH2 in Takapau.

### Electricity

Transpower owns the transmission lines in the region which consists of four double circuit 100kV lines and two double circuit 220kV lines. There are three substations in the region Redcliffe, Fernhill and Whakatu all located near Napier and Hastings.

Power is generated in the region by Tuai hydroelectric (60 MW), Piripaua hydroelectric (42 MW), Kaitawa hydroelectric (36 MW), Whirinaki wood cogeneration (12.8 MW), Waihi hydroelectric station (4.7 MW), Rimu hydroelectric (2.4 MW), Toronui hydroelectric (1.4 MW), Ōmarunui biogas (1MW). The power stations in the region are operated by LMS Energy and Hastings District Council, Contact Energy, Genesis and Manawa Energy.

### Napier Port (Hawke's Bay Port)

Napier Port was the second major exporter of logs and sawn timber and sleepers by volume for the years ended December 2022 and 2023.

The port offers bulk cargo, containerised and cruise ship services.

*Table 3. Napier Port export volumes and value (Free on Board – FOB) for forestry and wood products in 2023. Source: Overseas Merchandise and Trade*

| Product | Unit of Measure | Volume | Value – FOB (NZD) |
|---|---|---|---|
| Logs | Cubic Metre | 2,541,291.4 | $ 366,231,213.0 |
| Sawn Timber & Sleepers | Cubic Metre | 125,287.8 | $ 56,725,403.0 |
| Panels | Cubic Metre | 988.9 | $ 916,936.0 |
| Pulp | Tonne | 231,404.1 | $ 177,475,147.0 |
| Chips | Bone Dry Unit | 6,028.0 | $ 2,096,864.0 |
| Paper & Paperboard | Mixed | 5,125,684.4 | $ 1,686,118.0 |
| Other Forestry Products | Mixed | 15,181.1 | $ 11,335,280.0 |

The port offers log debarking services. Debarking logs eliminates the need for chemical fumigation for exporting logs to countries allowing debarked logs.

### Rail

Rail lines connect the region from Wairoa to Hastings, Napier and south to Palmerston North. The line between Napier and Hastings goes through the Napier Port.

The rail lines in the region were closed due to damage caused by Cyclone Gabrielle in 2023. The line between Hastings and Palmerston North was reopened in April 2023. This allowed the transport of freight by rail to Hastings and by trucks to Napier Port until the line between Hastings and Napier was reopened in September 2023.

The reopening of the line between Hastings ad Napier allowed freight on rail to and from Napier Port to flow again. The line usually transports chilled and frozen meat, wood products such as pulp and timber, food products and imported machinery and consumables used in manufacturing.

As of February 2024, the line between Wairoa and Napier remains closed. This line had around one train per day carrying logs before its closure in 2023.

*Sources: KiwiRail, Napier Port, Transpower, Contact Energy, Genesis Energy, Manawa Energy, New Zealand Transport Agency/ Waka Kotahi.*

## Useful links

### Forestry

New Zealand forest data – Ministry for Primary Industries

Afforestation and deforestation intentions survey 2022 – Ministry for Primary Industries (PDF, 943 KB)

Forestry – Hawke's Bay Regional Council

### Wood processing

Invest in New Zealand wood processing (March 2020) – New Zealand Trade and Enterprise

Wood Supply and timber processing options in the Hawke's Bay – New Zealand Institute of Forestry

### Regional statistics

Hawke's Bay region 2018 Census data – Stats NZ

Regional Economic Activity Web Tool – Hawke's Bay – Ministry of Business, Innovation, and Employment

Hawke's Bay – New Zealand Transport Agency

Hawke's Bay/Te Matau-a-Māui – Kānoa

Matariki Hawke's Bay Regional Development Strategy – Hawke's Bay Regional Council

Hawke's Bay Long Term Plan 2021-2031 – Hawke's Bay Regional Council (PDF, 10.9MB)

## Feedback

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