VALUE RECOVERY

(SUMMARY)

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The profit made from a harvesting operation is given by :

    Profit = (Volume of wood harvested x Unit value of logs) - Cost

Harvesters usually give more attention to volumes and costs than to the unit value of the logs. FRI research has shown that 7 to 25% of the value of logs can be lost during clearfelling. This can mean a loss of around $5000/ha.

To maximise value recovery, skid site crews must be able to grade logs accurately. In recent studies, trained crews got the grade of 20 to 30% of the logs wrong. They sorted logs into grades where they did not meet length specifications, small-end diameter limits or quality specifications (e.g. branch size). With better training and on-the-job supervision, grading accuracy might be improved to 90 to 95%.

To improve value recovery, skid workers should be given a set of understandable, written specifications of the log grades. Management should also provide instruction on grading and help the workers to develop some rules of thumb on when to waste some wood in order to produce higher value products or premium log lengths.

When pruned logs are harvested, about half of the value of each log is in the pruned part of the stem. To increase profits from harvesting, it is important to protect this premium product. One practical way of doing this is to give the fellers a can of paint with which to mark the end of the clear butt log so that it can be clearly seen on the skid site.

It is also important to handle logs as little as possible, as they lose about 2% of their value each time they are handled.

Frequent and consistent supervision is another vital ingredient of maximum value recovery. Supervisors should regularly check log inventories and grading accuracy. The responsibility for this supervision rests with whoever has the greatest financial interest in maximum value recovery. This can be a farmer selling his woodlot, a logging contractor, or a sawmiller buying on stumpage.

A lot of money can be lost during logmaking. To prevent this, managers should make sure that the logmaker knows how he is supposed to grade, that he is given adequate training and that he has the right tools for the job.