



TIMBER NSW

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An economically, socially and environmentally sustainable timber industry.

Forced to sell cattle to pay for fuel

A shocking case on the NSW Mid North Coast has laid bare the human and economic toll of the crisis, with a multi-generational timber and transport business in Bulahdelah forced to sell cattle simply to pay its fuel bill.

The Dorney family—one of the region’s largest employers, responsible for more than 10 per cent of local jobs—has seen its monthly diesel costs skyrocket from around \$220,000 to more than \$400 000 in a matter of weeks. With diesel prices already exceeding \$3.50 per litre and warnings of a potential spike to \$8.00, the situation is rapidly becoming unsustainable.

To keep their fleet of 25 timber trucks on the road, the family is now liquidating assets, including livestock, in a desperate attempt to stay afloat.

Despite the escalating crisis, the Albanese and the Minns Governments have failed to provide immediate, targeted relief for fuel-intensive industries. Instead, they continues to benefit from rising fuel prices through increased GST and fuel excise revenue—effectively increasing tax revenue while regional businesses struggle to survive.

Regional businesses are calling on both Governments to urgently reduce fuel excise to prevent further cost escalation – as the Coalition did immediately after price spikes from the Ukraine war and to address State contract lag mechanisms that prevent timely cost recovery

Maree McCaskill, Chief Executive Officer of Timber NSW, said the consequences of government inaction are already flowing through the supply chain.

‘Fuel is not something our industry can control, and the costs are now moving through every part of the timber and construction supply chain,’ Ms McCaskill said.

‘This example is not just a business under pressure—this is a community under threat,’

‘The hardwood sector is doing everything it can to hold the line on prices, but there is only so much that can be absorbed before it impacts builders, homebuyers and regional jobs.’

The consequences are already being felt across the economy. Timber mills are beginning to turn away supply, contractors are unable to recover fuel costs due to rigid contract structures, and the price of building materials is expected to rise—further exacerbating Australia’s housing crisis.

‘This is a supply chain emergency in the making,’ said Maree.

‘When transport operators can no longer afford to move timber, the impacts ripple through construction, manufacturing, and ultimately into the cost of housing for everyday Australians.’

Failure to act risks widespread business closures, job losses, and further economic strain on already struggling communities.

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