

DELIVERED
WEEKLY TO
15,200
GLOBAL
READERS*



Like and follow us on

ISSUE 614 | June 25, 2020

timber & FORESTRY *e*news

timberandforestryenews.com



A bridge never too far: LVL carrying the load

COVER STORY P3

Responsible Wood
RW/1-10-1

Download the latest Bulletin.

For all your Timber Preservation needs.

Innovation through formulation

Ph: 07 3293 2651 | 24hrs: 0417 749 481
www.azelis.com

AKD

MARGULES GROOME

FIRST FOR FORESTRY CONSULTING

www.margulesgroom.com



The NATIONAL voice for
Timber Merchants • Suppliers • Manufacturers
Contact us on 1800 TABMA1

\$50m federal support package for bushfire-battered forest industries

A \$50 MILLION federal government bushfire recovery package was announced on Tuesday in Eden by Prime Minister Scott Morrison.

AFPA CEO Ross Hampton said the support package would go a long way to helping forest product industries in NSW, Victoria and South Australia, which were devastated by the Black Summer bushfires and now faced unprecedented long-term resource shortages.

“We are pleased that the federal government has listened and responded to the crisis facing our industry as a result of the bushfires,” Mr Hampton said.

“The \$40 million Forestry Recovery Fund will support timber processors facing significant, long-term reductions in log supply to re-tool and upgrade their mills, while the \$10 million Salvage Log Storage Fund will boost mills’ capacity to process and store the short-term surplus in burnt logs, particularly in the NSW South West Slopes region where around 40%



Delivering a package... Prime Minister Scott Morrison talks with the chairman of Allied Natural Wood Exports Mal McComb during a visit to the Eden chip mill.
Photo: Magnet News

of the softwood plantations were fire-damaged.”

Mr Hampton joined the PM, Agriculture Minister David Littleproud, Liberal candidate for Eden-Monaro Fiona Kotvojs, Nationals candidate Trevor Hicks, and State Member for Bega Andrew Constance at the ANWE woodchip mill in Eden for the announcement ... “and to see first-hand the resilience of our forest industries and our importance to regional communities”

Mr Hampton said he was also very grateful to Assistant Minister for Forestry and Fisheries Jonno Duniam who had been working closely with industry to understand the magnitude of the crisis as a result of the fires.

“This package delivers

“GOVERNMENT RESPONDS TO CRISIS FACING PROCESSORS”

some of the key initiatives we have identified to help forest industries navigate these challenges,” Mr Hampton said.

“I look forward to continuing to work with the government to ensure Australia’s sustainable forest industries can continue to thrive and employ tens of thousands of people in fire-affected regional communities.”

The Eden-Monaro by-election will be held on July 4. Candidates include Dr Fiona Kotvojs (Liberal), Kristy McBain (Labor), Cathy Griff (Australian Greens), and Matthew Stadmiller (Shooters, Fishers and Farmers).

The by-election follows the resignation of popular Labor MP Dr Michael Kelly AM, a distinguished military officer, who has been suffering ill health.



THE CHOICE IS YOURS.

Following the awarding of a Global GreenRate Level A certification, MicroPro Wood Treatment Technology has recently been awarded a GoldHEALTH rating with its recently published Global GreenTag Level A Product Health Declaration™ (PHD™).

The GreenTag PHD is the first health transparency tool in the world to assess human health concerns directly, rating the health impacts of a final product – and not just the hazards of a product’s ingredients.

For more information call us now on 1800 088 809.



MicroPro® is a registered trademark of Koppers Inc. or its subsidiaries. MicroPro® timber products are produced by independently owned and operated wood preserving facilities. © 2019 Koppers Performance Chemicals Australia Pty Ltd. Global GreenRate, GoldHEALTH, Global GreenTag and GreenTag PHD are registered trademarks operated under licence by Global GreenTag Pty Ltd.

New engineered wood technology is using under-utilised forest resources

Bridge building breakthrough for range of veneer-based products

RESEARCHERS have been working to deliver and validate technologies that transform low-value forest resources and sub-optimum quality logs into high-value construction and aesthetic products suitable for Australian and international markets.

Findings have supported the successful development and commercialisation of veneer-based bridge girders.

A resource assessment study identified a substantial volume of under-utilised, small diameter logs within Australia's native forest and hardwood plantations that could be available for conversion using new spindleless lathe technology.

When applied to these sub-optimum logs this veneering technology yielded more acceptable recoveries compared to traditional sawing approaches. The resulting veneer contained qualities and properties well suited to the manufacture of veneer-based engineered wood products.

Dr Robbie McGavin, research facility and project manager at the DAF Salisbury Research Facility in Brisbane, whose team led the research, said the project had provided a wealth of new knowledge for the Australian industry.



Project steering committee gather at the Salisbury Research Facility... back row, from left, John McNamara, Parkside Timber, Dr Kerrie Catchpoole, DAF, and Dr Rob McGavin, DAF, project leader. Front row, Andy McNaught, EWPA, Simon Dorries, Responsible Wood, Geoff Pearce, HQPlantations, Jason Blanch, Big River Group, Stuart Matthews, Austral Plywood, Tyron Venn, University of Queensland, Alastair Woodard, Wood Products Victoria, and Bill Leggate and Eric Littee, DAF. (Committee members unavailable for the photo were Mick Stephens, Timber Queensland and Bob Engwirda, Hurford Hardwood.

The project steering committee also identified a number of likely 'best-bet' products, taking into account the strengths and weaknesses of available timber feedstocks, outcomes of the forest assessments, results of the project processing studies and an understanding of potential products and markets.

Cont P 4

"It has identified many technical and economic opportunities for industry to consider, which utilise forest resources that are currently under-valued for the manufacture of high-performing, value-added engineered wood products," Dr McGavin said.

Critical to the project design was direct participation and guidance by forest industry stakeholders.

PROJECT PARTNERS WITH INDUSTRY

In addition, a reflection on traditional markets occupied by Australia's native forest species identified potential for veneer-based EWPs in electricity network cross arms; road and rail bridge components; and large-dimension posts and beams.

The united voice for Australia's forest industries



(02) 6285 3833
enquiries@ausfpa.com.au
www.ausfpa.com.au

AUSTRALIAN
FOREST PRODUCTS
ASSOCIATION
afpa
TREES | WOOD | PAPER

From P 3

These 'best-bet' product groups included LVL-based products and mass panels.

"The best chance for project output adoption would come from close partnership with industries ready to adopt and develop the necessary practices required to produce the new products," Dr McGavin said.

One example of this type of collaboration in practice came when project industry partner the Grafton-based Big River Group, pursued the development and commercialisation of veneer-based bridge girders.

This innovation was in recognition of industry

“THE BIG STORY IS ALL ABOUT THE DECKING



Thumbs up... Keith Knox and David McFeeter of Big River Group at the completion of another timber bridge project in New South Wales.

and market feedback that replacements for traditional girders are becoming increasingly difficult to source. Coupled with growing demand for bridge components to maintain the many thousands of existing timber bridges in Australia, many girders are being replaced by concrete and other more expensive

alternative solutions due to a lack of supply.

Market intelligence at the Big River Group provided an initial design constraint of 450 mm girder beam depth to ensure compatibility with common traditional girder dimensions. An end-of-life traditional girder could be removed and replaced with a new veneer-based girder without significant disturbance.

The structural performance of a new girder also needed to be at least comparable to the traditional F22 and F27 hardwood girders. Predictability of performance, lightness of weight and the certification of structural properties were also viewed as attractive by the market.

An LVL-based design was developed, and prototypes were manufactured. Native forest hardwood veneers were combined with plantation softwood veneers to ensure strong performance while limiting the overall weight of the new girder. The prototypes were tested to determine key mechanical properties, validate design targets and facilitate engineering certification.

The new veneer-based girder is around 22% lighter, 35% stronger and 5% stiffer than a traditional

F22 hardwood girder.

Big River so far has manufactured, sold and installed 150 of these new girders at a value exceeding \$600,000, with seven bridges constructed using the new girder systems.

Speaking from a bridge replacement site at Tenterfield, Big Rivers general manager Jason Blanch said it was all about weight to strength – light and strong.

"The big story is all about the decking," he said.

"Old timber bridges and girders are getting a bit lazy and are in bad condition. The solution has been to remove the old deck and put in a super lightweight engineered deck, one that meets all the requirements and standards – and stiffen them up for a much longer life."

Mr Blanch said it took just seven minutes to lift and place the new prefab deck onto the bridge's foundation.

"In fact, the road was closed at 7 am and reopened just eight hours later when the job was completed."

The decks are a combination of treated radiata and Queensland hoop pine, while the girders consist of treated softwoods and hardwoods.

So far, Big River has installed and completed timber bridges across Queensland and northern NSW.

Market feedback has been incredibly positive and an increasing number of local governments are now considering the product as a viable option for maintaining their timber bridge networks, and for new bridge construction.

On the cover: Timber bridge replacement under way for Glen Innes Severn Council using veneer-based decking and girders supplied by Big River Group.

LEAD FROM THE FRONT!

Diploma of Leadership & Management

Call Us Today!

EOFY SPECIAL SAVE \$1,500

NOW IS THE TIME TO INVEST IN THE FUTURE OF YOUR BUSINESS AND YOUR PEOPLE. SO, WHAT ARE YOU WAITING FOR?

TABMA AUSTRALIA
TABMA TRAINING

1300 693 483
info@tabmatraining.edu.au

Victorian minister in charge of forestry called out on timber demand comments

THE Australian Forest Products Association has called on the Victorian Minister for Agriculture Jaclyn Symes to withdraw her comment in state parliament that “COVID-19 has led to a drop in demand for native timber products.”

“The facts are that timber demand has never been stronger,” AFPA CEO Ross Hampton said.

“As the world moves away from plastics and carbon-intensive building products, that demand is only forecast to grow.”

Ms Symes, with responsibility for forests, was replying to a question without notice from Nationals MP for Eastern Victoria Melina Bath.

“Obviously it is no secret that this is an industry that has been hit hard along with many other industries in recent months, having suffered significant losses in the contexts of bushfires and COVID,” Ms Symes said.

“Bushfires had a devastating impact on supply.”

The comments by the minister come as the forestry



1/ **Jaclyn Symes**
2/ **Melina Bath**

industry fights against the decision by Premier Daniel Andrews to shut down the sector by 2030,

Ross Hampton said the Andrews government had chosen to close down a sustainable, job-creating industry for ideological reasons.

“It has the right to do this, but Victorians also have the right to oppose it and seek its reversal,” he said.

“What the Andrews government must not do is use misinformation, like claiming a drop in demand, to justify its decision.”

“The hardwoods from Victorian forests, which are used at the rate of four trees in every 10,000 (and each trees used is replaced

through reseeded and regeneration) are sought by architects and home builders for appearance grade timbers, such as the panelling which graces the whole interior of the Victorian parliamentary annex. Plantation timber does not produce these timbers in Victoria.

“Reversing the native forestry closure decision is the right thing to do when every Victorian job matters.”

Referring to seven Gippsland native timber haulage and harvest operators, Melina Bath said

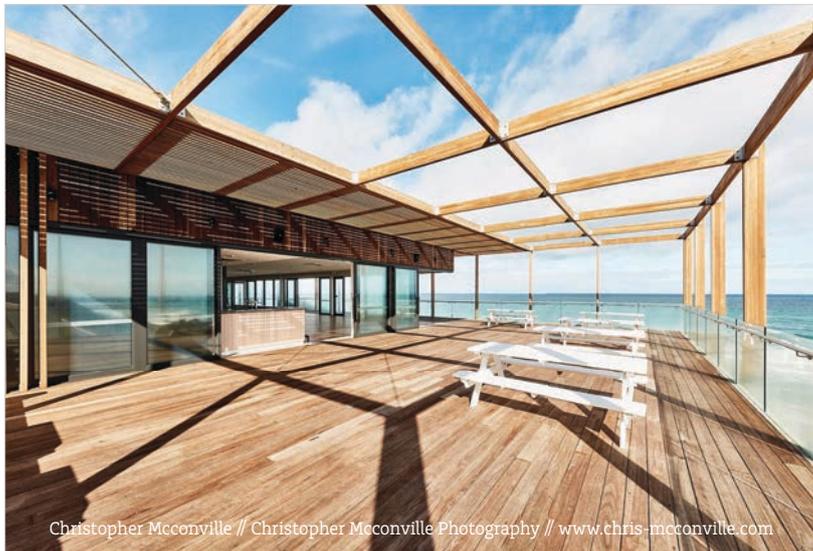
“THE FACTS ARE THAT DEMAND HAS NEVER BEEN STRONGER”

there were 115 directly-impacted families, over 80 critical pieces of machinery sitting idle, accruing over half a million dollars’ worth of repayments per month, and insurance bills of over \$100,000 piling up per month.

“This important industry, worth \$730 million directly and generating approximately \$7 billion in sales and service income annually, is critical at a time when Victoria’s economy is slipping into recession,” she said.

Now, more than ever, our timber businesses need support and certainty so they can do what they do best. VAFI will continue to call on the State Government to provide policy certainty for the native hardwood sector, to implement its commitment to new plantations, and to provide bushfire recovery support across the entire industry.

Our forest and timber workers are the backbone of many regional communities, and they deserve to know that they can continue to work toward a bright future for Victoria.



Christopher Mcconville // Christopher Mcconville Photography // www.chris-mcconville.com

Beautiful. Natural.
Sustainable. Australian.

responsiblewood.org.au

You can be assured that wood carrying the Responsible Wood mark has come from certified Australian forests that are sustainably managed to the highest global standards.

Responsible Wood
Enabling Sustainability



Builders positive about next 6 months

THE Housing Industry Association has welcomed the release of crucial final touches to the federal government's HomeBuilder scheme.

"The addition of this extra detail will clarify questions builders and home buyers have been asking since the scheme was announced on June 4," chief executive, industry policy, Kristin Brookfield said

"Builders are feeling positive about the next six months of activity and equally important is the potential the scheme has to generate activity in 2021," Mr Brookfield said. "The new details will make this interest even stronger."

The government has announced three key refinements to the scheme:



Confidence... three key elements announced on HomeBuilder scheme.

- Allowing the necessary time for home buyers to arrange their finance approvals, building approvals and meet other legal requirements before work is required to commence, rather than the fixed three-month timeframe initially announced.

- Clarification that a sales contract for a home

purchased off the plan will be eligible in the same way as a building contract.

- Aligning the process with the current timing of payments for first home owner grants for new homes.

"These updates will give greater certainty to home buyers and their builders about what projects

potentially qualify for the grant," Mr Brookfield said.

"Recognising that a fixed three-month timeframe to commence building work did not reflect how dependent home builders are on other players, like the banks, the councils and building certifiers, is extremely important and a welcome update."

While the state and territory revenue offices now need to outline the final details of how applicants will apply for the grant and timing of payment, the new information clearly addresses key concerns HIA had raised with government.

The HomeBuilder grant provides the incentive and the support needed to maintain housing activity in the second half of 2020.

KENNEDY'S RECLAIMED AND SUSTAINABLE ARCHITECTURAL TIMBERS ARE AN INSPIRED CHOICE FOR UNIQUE BUILDING DESIGN.

STRIKING AND DURABLE

A natural alternative to conventional building products, we provide the full spectrum of timber design possibilities.

Photo: Christopher Frederick Jones
Grand Central Shopping Centre,
Toowoomba QLD



WWW.KENNEDYSTIMBERS.COM.AU

Brisbane | Sydney | Melbourne | Perth | New Zealand

[f](#) kennedystimbers [i](#) kennedystimbers [e](mailto:sales@kennedystimbers.com.au) sales@kennedystimbers.com.au

OCTOBER

21st Australian Timber Design Awards – Sydney, NSW, Australia (date and venue to be advised). Entries close June 1. Voting for the People’s Choice Award is open from August to September. Visit the new awards website for information and registration instructions.

www.timberdesignawards.com.au

30: Green Triangle Timber Industry Awards POSTPONED – Barn Palais, Mount Gambier, SA, Australia. Nominations open 1 June 2020 and close 14 August 2020. For more information visit: www.gttia.com/

MARCH 2021

17-19: Doing Timber Business in Queensland – Hotel Marriott and Howard Smith Wharves, Brisbane, QLD, Australia. State conference, workshops, innovation tour and gala dinner organised by Timber Queensland. Visit www.doingtimberbusinessinql.com

APRIL 2021

1-3: DANA New Zealand Forest Industry Status and Outlook Conference and field trip.

Dates and venue TBA. To register interest as delegate or presenter please email admin@danaevents.co.nz

EVENTS LISTS MAY HAVE BEEN, OR ARE LIKELY TO BE CANCELLED OR POSTPONED DUE TO CORONAVIRUS TRAVEL, SOCIAL DISTANCING AND OTHER RESTRICTIONS. PLEASE CHECK THE RELEVANT WEBSITES.

SEPTEMBER

27-30: Council on Forest Engineering Annual Meeting – POSTPONED. Visit www.cofe.org for update.

POSTPONED – Durban, South Africa. Possible 2021 conference and field trip - Dates and venue TBA. To register interest as delegate or presenter please email admin@danaevents.co.nz

opportunities in timber to diversify their portfolios and achieve healthy returns. Register at www.fba-events.com or contact karolina@forest-analytics.com

OCTOBER

21-23: Sustainable Forestry Initiative (SFI) Annual Conference – Vancouver, BC, Canada. The 2020 SFI Annual Conference will be focused on how forests can make a difference when it comes to so many of the most important sustainability challenges faced in the forest sector and communities. For additional information see: sficonference.org

DECEMBER

7-9: International Forest Business Conference and Tour – Sopot, Poland. A two-day conference on megatrends that shape forest and wood industry sectors. The event will highlight the transformation of forest-related businesses towards a low-carbon bioeconomy, discuss tensions between sustainability and cost competitiveness, and call attention to new green innovations. Field trip on December 7 to IKEA and Egger mills. The event will welcome institutional investors from across the globe to discuss investment

JANUARY 2021

11-14 : World Conference on Timber Engineering (WCTE Santiago 2020) – Santiago, Chile. Topics include Sustainable Forests for timber production; wood products, connections: timber engineering’ timber architecture; building and environmental impacts; policies, education and future trends. For further information see: www.wcte2020.com/

NOVEMBER

1-5: 3rd DANA African Forest Industry Investment Conference and field trip

• Please send any events listings to John Halkett via email: johnh@timberandforestrynews.com

Do you crosscut timber packs at ±1mm accuracy

OR cut structural timber, panel products (MDF & LVL), paper rolls

OR produce pallet dimensions or studs on fixed lengths

HOLTEC has a solution for you

For more information contact:
 Ph: +64 9 416 8294
 Fax: +64 9 416 8296
 Email: sales@holtec.org
 Web: www.holtec.org

HOLTEC
 YOUR PARTNER FOR THE PERFECT CUT

Our Scope of Supply:

- Mobile and stationary chainsaws
- Timber crosscut stations
- Log cutting stations
- Circular saws
- Mechanisation
- Sorting lines
- Scanning and optimising systems
- Special systems

Experience and authenticity will lead Weinig's solid reputation in Australia

Managing director brings German expertise in wood technology

TAKING the leadership reins in March this year just as the coronavirus shut down the economy presented a mixed blessing for incoming managing director of Weinig Australia Markus Ostermaier.

While he said he was itching to get out around the country to meet loyal Weinig clients, the enforced time in the office had provided an opportunity for him to do some deep thinking about Weinig's future interaction with the solid wood processing industry and its long-established customers.

"So, I have been doing some homework that will be beneficial in the future, but



The extensive Weinig and Holzher machinery range will be on show again at the next Weinig Australia in-house 'mini expo'.

am planning to hit the road as soon as possible," Mr Ostermaier said.

There is no doubt Mr

Ostermaier is a perfect fit for his new position. German-born, he has qualifications in wood technology and has

worked in Germany in the joinery trade, kitchen design and manufacture, and in sales.

He first came to Australia in 2007, then had a stint back in Germany assisting to set up a more successful global business enterprise. "But because I love Australia, we came back in 2012 to lead the development of the business enterprise in the region I assisted in establishing in Germany."

"Of course, leading German machinery design and engineering excellence are cornerstones of Weinig," he said. "And. I have no doubt

Cont P 9

The Weinig Group: Machines and systems for solid wood & panel processing

Innovative state-of-the-art technology, comprehensive services and system solutions through to turnkey production lines: the WEINIG Group is your partner for profitable processing of solid wood and panels. WEINIG quality and profitability give small businesses and industrial operations a decisive edge in the global competition.

www.weinig.com.au
www.holzher.com.au

Michael Weinig Australia Pty Ltd
3 Widemere Road
PO Box 6239
Wetherill Park NSW 2164
Australia

Freecall: 1800 736 460
Email: sales-australia@weinig.com.au

From P 8

that here in Australia, as it is internationally, the brand is seen as the leader in solid wood processing, and that attracted me to this position.”

Weinig now has an impressive, fully-operational showroom in its Sydney Wetherill Park facility and Mr Ostermaier is planning to take full advantage of this capacity.

“We are at an early stage of planning an event in 2021 modelled on the very successful in-house ‘mini expo’ in 2019. We will have an extensive Weinig and Holzher machinery range on display again supported by German sausages and beer – to set the right, practical, no-nonsense business tone.”

“ PLANS FOR IN-HOUSE MINI EXPO ”



Markus Ostermaier... real commitment and passion for Australia, and for the country's solid wood processing industry.

In addition, Mr Ostermaier is planning more targeted events with small groups around specific machines and manufacturing systems.

And he brings an extensive background of German expertise in joinery, wood technology, project management and business

development to his new role – plus a real commitment and passion for Australia, and for the country's solid wood processing industry.

Michael Weinig, Inc. is a wholly-owned subsidiary of Michael Weinig AG located in Tauberbischofsheim, Germany. The Weinig Group

focuses on products for the solid wood industry, namely Weinig moulders, planers, tool grinders and tooling; Waco high-speed moulders and planers; Dimter optimising crosscut saws; Grecon finger-jointing machines; and a systems division that designs, builds and installs handling equipment and software to link Weinig equipment for efficient production processing.

The Weinig Group has four manufacturing facilities in Germany, one in Sweden, one in Switzerland, one in China, and two in the US.

Additionally, sales and service subsidiaries are located in North America, Great Britain, Australia, Singapore and Japan.

Weinig was founded in 1905 and began focusing on moulders and planers in the 1950s and is now the world market leader for solid wood processing equipment.

2020 ASIA PACIFIC WOODCHIP TRADE REVIEW

DANA Publishing



2020 ASIA PACIFIC WOOD CHIP TRADE REVIEW
DANA Publishing



Available now for immediate delivery - 190 page, 16 Chapter Review. Chapters include:

- STOP PRESS
- Introduction
- Markets – Japan
- Markets – Mainland China
- Markets – Other Asia
- Markets – Asia Europe Biomass
- Supply – North America
- Supply – Latin America
- Supply – Oceania
- Supply – Asia
- Supply – Africa
- Woodchip Supply to Europe
- Seaborne Woodchip Transportation
- Conclusions and Predictions
- Contacts Registry



GINGKO



TO ORDER [CLICK HERE](#) OR CONTACT JULIE BELL admin@dana.co.nz

AFPA evidence at royal commission centres on mechanical fuel reduction

THE Australian Forest Products Association has told the Royal Commission into Natural Disaster Arrangements of the devastating impact the Black Summer bushfires had on forest industries around Australia, and highlighted the need for a whole-of-landscape approach to land management and hazard reduction.

Appearing before the Royal Commission via video link, CEO Ross Hampton told the commission that while bushfires were unavoidable, more fuel reduction that included mechanical fuel reduction to create buffers around towns and critical infrastructure would make it easier to suppress catastrophic fires.

“The current system where there are multiple approaches to fuel reduction by multiple

land managers and agencies isn’t working and we need a more coordinated approach,” Mr Hampton said.

“I commend the federal government for including in the terms of reference for the royal commission ‘the preparedness and resilience responsibilities, which includes land management and hazard reduction measures’, which has given the commissioners the scope to closely examine this issue.”

Mr Hampton told the commission that a Deloitte Access Economics analysis commissioned by AFPA found the economic benefits of mechanical removal of fuel, in conjunction with controlled burns, massively outweighed the costs and could dramatically reduce the severity of fires.

“The Black Summer bushfires have highlighted that we need to better manage Australia’s 132 million ha of native forest regardless of land tenure,” he said. “Research has found that in the eucalypt forests of south-eastern Australia, an annual



Ross Hampton... bushfires require a whole-of-landscape approach to hazard reduction.

reduction program of 5% of the landscape could reduce the extent of bushfires by as much as 50%.”

Mr Hampton said mechanical fuel reduction was a widely-accepted bushfire mitigation tool in other fire-prone countries, but it was underutilised in Australia despite its proven efficacy.

The royal commission also heard from Forest Industries Federation of Western Australia and VicForests.

FIFWA representative Brad Barr, resource manager at Wespine, told the commission about the trial

of mechanical fuel reduction conducted near Collie in the state’s southwest by the Department of Water working with the Parks and Wildlife Service, the fires services, and the industry.

Mr Barr told the commissioners: “The need was identified to remove the fuels that allow a fire to transition from a surface fire into the canopy. To get an immediate benefit in fire behaviour, you need to use equipment which can cut small trees, and not leave any material behind. It wasn’t our intention, but we were also able to find a market for that forest material removed in the trial.”

AFPA recently released a report, Using Fire and Machines to Better Fire-Proof Our Country Towns.

Using the latest data from the Commonwealth Department of Environment and Energy, the report overlays almost 30 years of records for prescribed burns and bushfires to show a clear trend of reduced burns and increasing bushfires.

“A WIDELY ACCEPTED BUSHFIRE MITIGATION TOOL”



Lonza | Wood Protection



Providing solutions to enhance the performance of your Engineered Wood Products.

LVL, plywood and CLT are an essential component of the modern construction industry, Lonza offer a range of solutions to protect engineered wood products.

- ✓ Veneer pre-treatments
- ✓ Glue line additives
- ✓ Finished product protection

www.lonzawoodprotection.com/apac/glue-line-engineered-wood-family/

Looking to enhance your engineered wood products? Contact Lonza.

AUSTRALIA
+61 3 9339 8915
tanalised.au@lonza.com

NEW ZEALAND
+64 9 276 3646
tanalised.nz@lonza.com

NEW PLYMOUTH
+64 6 755 9324
scott.connor@lonza.com

SUPPORT AUSTRALIANS BY BUYING AUSTRALIAN PRODUCT



Pipeline of commitments feeding supply to stressed housing market

Building data shows recovery in approvals at least two months away

DESPITE expectations of a major fall in dwelling approvals in April, the pipeline of commitments has fed more supply into the market, with a total 15,294 dwellings approved on a seasonally adjusted basis.

Down just 1.8% compared with March, the April result fed into a year-ending total of 173,802 approvals, up 0.3% compared with the prior month.

However, the approvals data was only a momentary surprise, with the immediate realisation that the anticipated slump in approvals is not avoided ... just pushed down the road for a month or more.

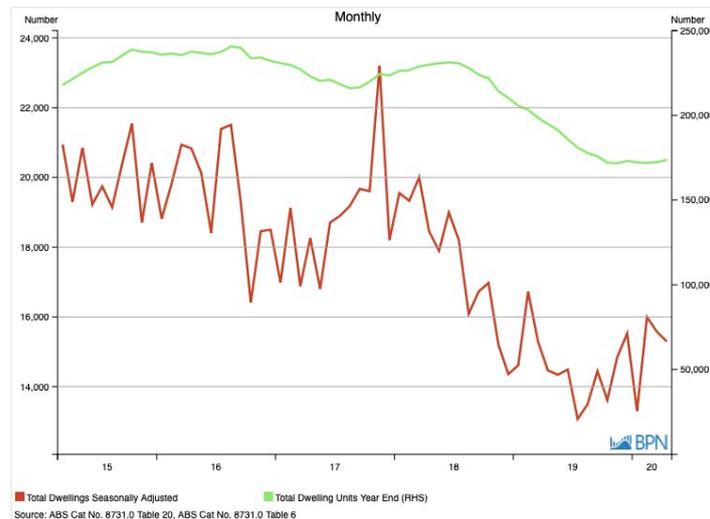
As a consequence, attention has shifted from the overall headline approvals (shown in the chart), to focus on some other measures.

At a state level, dwelling approvals last year have in particular exposed some major differences between Victoria and New South Wales.

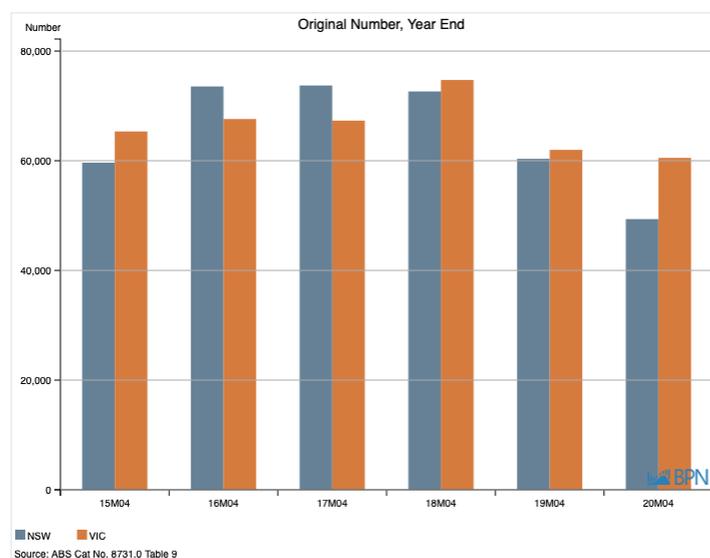
For the year ended April, NSW recorded 49,357 total dwelling approvals, down 18.2% on a year ago, and declining 1.3% compared with the prior month. Meantime, Victoria saw total dwelling approvals reach 60,520, down just 2.4% compared to the prior year, and up 2.9% on March.

The second chart shows these trends as a direct comparison between the two states over the last six years. For four of the six years shown, Victoria experienced higher approvals

TOTAL DWELLING APPROVALS



TOTAL DWELLING UNITS APPROVED BY STATE



than NSW. To a large extent, this data shows the outlook differences between the two states, from at least a population perspective.

New house developments are one thing, but the price at which housing is being sold is also a factor. Perhaps significant, prices in Sydney were down 0.4% and in Melbourne, 0.9% lower.

According to commentators, prices are unlikely to hold on because many home-owners are taking advantage of 'mortgage holidays' that will end in September or thereabouts. After that, distressed households may be forced to sell.

Already under stress, investors have begun

exiting the market, selling investment properties at a faster rate over recent months. The long-term average of rental properties is 9% of all dwellings being sold, rising to 11% in early May. That may not seem a large change, but the fact that vacancies are surging (up 2% in April) and rental rates are falling are significant and worrying trends.

All those factors imply there will be less investor activity in coming months. That could mean that developer-driven multi-residential developments will be difficult to sustain until conditions improve. The housing outlook is, therefore, challenging into the future, especially given that interest rates are at historic lows.

Linking the local and immediate demand for accommodation with stalled population growth and reduced investor sentiment, industry expectations are that apartment and multi-residential property development in general will not rebound until 2022 and 2023.

Leading building products suppliers have taken heed of these conditions. Diversified materials supplier CSR announced it was scrapping its dividends as it battens down for what the company anticipates will be a very tough second half of 2020.

In late May, Fletcher Building announced it was reducing its workforce by 1500 (500 in Australia).

From P 12

Master Builders Australia has called for a \$13 billion package to help boost new housing construction after the existing pipeline of projects slows down in the second half of this year.

MBA has proposed a new home grant of \$40,000 to ensure up to 130,000 homes are built in the 2021 financial year.

A report by Australian National University economists in April found stimulating the construction and manufacturing sectors would generate the largest positive spillovers for the rest of the economy in the post-pandemic recovery.

Associate Professor Sara Bice said the virus presented a “golden opportunity” to put Australian businesses and workers at the forefront of recovery efforts, to reduce economic impact and



Dr Sarah Bice... virus golden opportunity to put Australian businesses and workers at the forefront of recovery efforts and accelerate the delivery of projects.

accelerate the delivery of projects.

More than 137,000 construction businesses, or 80% of the industry, have enrolled in the government's \$70 billion JobKeeper wage subsidy program.

(With extracts from the May-June 2020 edition of Forest and Wood Products Statistics Count prepared by Jim Houghton).

Non-Executive Directors

Forest and Wood Products Australia Limited (FWPA) is seeking to appoint two Non-Executive Directors to its skills-based Board at their upcoming AGM. FWPA are seeking interest from individuals with skills in the following areas:

- Conservation and management of natural resources.
- R&D experience, innovation, technology transfer and commercialisation of R&D outcomes, particularly in respect of agricultural products.
- Commerce, including domestic and international market development, domestic and international trade.

Prospective Board members will be able to demonstrate strategic thinking and an understanding of financial statements at a director level. Previous Board experience and/ or AICD qualifications will be considered favourable. An independent Director Selection Committee will consider proposals for candidates and recommend to the FWPA Board persons for nomination for appointment as a Director. The Committee is required to ensure that candidates will result in a balanced, skills-based Board.

For more information, please contact Richard Evans at Talent Nation on +61 3 9600 0115, or via email revans@talentnation.com.au To submit your expression of interest including a covering letter outlining your interest in this position and a short summary of the areas you believe you can add most value to the FWPA Board please [apply here](#).

Expressions close at 5.00pm on Friday, 10th July 2020.



HYNE.COM.AU

QUALITY
SERVICE
INNOVATION

HYNE TIMBER



CONFIDENCE BY DESIGN.

THE MOST FUEL EFFICIENT SKIDDER EVER BUILT.

Tigercat is setting new productivity standards for timber extraction with the 632E skidder – the most powerful, fuel efficient and productive four-wheel skidder Tigercat has ever built.

Equipped with the largest grapple, a higher capacity Tigercat rear axle, stronger driveline components and an improved hydraulic system, the 632E boosts productivity and performance to new heights.

Contact Onetrak today to learn more about the Tigercat 632E skidder.



1 300 727 520 WWW.ONETRAK.COM.AU

Tigercat[®]
Tough • Reliable • Productive

www.tigercat.com

Statistics data shows further decline in areas under hardwood plantations

Victoria with 418,500 ha leads in production of commercial forests

AUSTRALIA'S area under hardwood plantations continues to decline, a statistics update released this week by the Australian Bureau of Agricultural and Resource Economics and Sciences (ABARES) shows.

The total commercial plantation area in 2018-19 was 1,933,400 ha – 9300 ha or 0.5% less than the area recorded in 2017-18 and 86,800 ha (4.3%) less than the area recorded in 2008-09.

The total area of softwood plantations increased marginally in 2018-9 to 1,039,700 ha and accounted for 54% of total commercial plantation area. However, the total area of hardwood plantations decreased to 884,000 ha in 2018-19 accounting for 46% of total commercial plantation area.

In 2018-19, Victoria continued to lead with the largest total area of commercial plantations in Australia (418,500 ha), followed by NSW (393,200 ha) and Western Australia (359,900 ha).

ABARES estimates that a total area of 130,200 ha (6.7%) of commercial plantations was in the fire extent of the 2019-20 bushfires in southern and eastern Australia. Most of this damage was in NSW (71%) and South Australia (13%).

The effects of the bushfires on Australia's commercial plantation estate are not reflected in the 2018-19 data in this report but will be accounted for in the 2019-20 comprehensive spatial



The hardwood plantation estate in 2018-19 was dominated by Tasmanian blue gum (*Eucalyptus globulus*) at 50% and shining gum (*Eucalyptus nitens*) at 26%. Both form and increasingly important part of Tasmania's future forest product mix. Sustainable Timber Tasmania's eucalypt plantation estate (pictured) is managed to supply high-quality, high-value, pruned logs for the production of knot-free solid timber and veneer products.

stocktake report.

A total of 2800 ha of new plantations were established in 2018-19, comprising 2750 ha of softwood plantations and 50 ha of hardwood plantations. Around 92% of new plantations established in 2018-19 were publicly owned and 8% were privately owned. Also in that year, a total of 58,500 ha of plantations were replanted, comprising 33,900 ha of replanted softwoods (58%) and 24,600 ha of replanted or coppiced hardwood plantations (42%).

A total of 12,100 ha of Australia's plantation estate was converted to another land use in 2018-19, comprising 12,000 ha of hardwood plantations (99%) and 100 ha of softwood plantations (1%). Most converted plantations were in South Australia (52%), followed by Western Australia (29%) and Victoria (19%).

In 2018-19, a total of 1,459,900 ha of plantations

were privately owned, representing 76% of the total plantation estate. Public plantations accounted for 21% (402,600 ha) of the total plantation estate and jointly owned (joint partnerships between state forest agencies and leasehold and freehold landowners) plantations represented 3.7% (71,000 ha).

VICTORIA HAS LARGEST AREA OF COMMERCIAL PLANTATIONS

The ownership structure of plantations remained relatively unchanged between 2017-18 and 2018-19.

Institutional investors in 2018-19 owned 49% of the total plantation area, governments owned 21%, farm foresters and other private growers 21%, managed investment schemes 5% and timber

industry companies 4%.

The hardwood plantation estate in this year was dominated by Tasmanian blue gum (50%) and shining gum (26%), both of which are managed primarily for pulp log production. The softwood plantation estate was dominated by radiata pine (75%) and southern pines (15%), both of which are managed for sawlog production.

Available Department of Agriculture figures show plantations yield up to 14 times more wood per hectare than native forests, largely due to plant selection and breeding, and the use of more intensive management techniques.

Continued improvement of plantation stock in terms of wood quality, yield and disease resistance is expected in the future. Better silvicultural management is another major reason for increased wood yields, ensuring uniform, high-quality and cost-competitive timber products.

Plantations produce more than 85% of the 32.9 million cub m of logs harvested in Australia on average each year. The majority of plantation logs are derived from softwood plantations (61%) compared to hardwood plantations (39%).

Malaysia's \$61bn stimulus package to lift timber industry during COVID-19

THE COVID-19 pandemic brought much of the world economies to a grinding halt. It was tough for businesses to keep their financial wheels turning and the impact of lockdowns were particularly brutal for companies with little reserves for managing sudden slumps.

Malaysia was not spared as the economic indicators showed a worrying trend during the Movement Control Order (MCO) when it was first implemented March 18-31 to contain the pandemic.

As many companies faced mounting challenges to survive as supply and demand for both overseas and domestic markets were disrupted, the government of Malaysia had promptly rolled out a 'Prihatin Stimulus Package' of more than \$US61 billion to weather the financial crisis brought on by the pandemic.

Numerous consultation sessions among the various ministries, government agencies and the private sectors took place throughout the MCO to discuss and fine tune the implementation of the regulations and SOPs for businesses that were given approval to operate during the MCO.

As many industries were contemplating a shutdown, the timber sector received special approval from the Ministry of Health through the Ministry of Plantation Industries and Commodities (MPIC) to operate under strict adherence to the SOPs during the MCO. More than 500 timber-based companies were granted approvals of which over 70% were furniture and



Andrew Kong, MTC corporate communications manager (left) and Francis Raj, general manager of BKB Hevea, one of Malaysia's largest timber manufacturers, inspect NSW blackbutt flooring,

moulding manufacturers.

The Malaysian Timber Council, together with many public and private sector organisations, played a key role in facilitating the smooth operation of the timber sector by analysing and channelling feedback from the industry players to the government through consultation sessions.

MTC had also conducted an industry-wide survey. Among the findings of the survey were concerns over the slowing global and domestic demands, cash-flow management, order fulfilling issues and workforce sustenance.

The MCO was extended in stages and on May 4 the government implemented the Conditional Movement

Control Order (CMCO), which was effective until June 9, allowing most economic sectors, including the timber sector, to operate based on regulated SOPs.

One of the primary hiccups during the MCO involved the supply disruption of timber raw materials which was swiftly resolved during the CMCO when the government granted permission for the transportation of logs from the landing sites to the respective factories. Since then timber-based manufacturers were assured of regular supply of raw

materials for their operations.

The timber sector has been literally up and running during the MCO and CMCO with 90% of manufacturers resuming operations and more than 60% now exporting their products.

The timber industry is an important contributor to the Malaysian economy, employing more than 50,000 local workers.

In 2019, it achieved \$US5.3 billion in exports, 2.2% of the country's total merchandise export. The domestic market is worth \$US3.2 billion.

The timber sector in Malaysia has been largely operating unhindered, thanks to the quick response and strong support from the government, which has also signalled more assistance to stimulate the economy and enable businesses to weather the pandemic storm.

MTC, too, in line with its role and obligation to the timber industry has taken the necessary steps to transform its operation model and activities to suit the current and post-Covid-19 business needs.

"It's a digital push we are looking at now," said MTC acting CEO Wong Kah Cane. "We simply cannot ignore this fact and businesses must now consider operating on e-platforms."

Wong added: "Together with the cooperation and collaboration among various ministries, agencies and the private sector, MTC will do its part to ensure that the Malaysian economy and timber industry will be more resilient post-Covid-19."

“SPECIAL APPROVAL GIVEN TO TIMBER SECTOR”

Covid brings unique opportunities for schools to learn more about our forests

Feedback from foresters and students was unanimously positive

COVID-19 has imposed many changes for schools around Australia. All have had to quickly adapt to operating online to provide real world contexts for student learning.

These changes have, however, created unique opportunities for ForestLearning, an initiative of Forest and Wood Products Australia to provide schools with innovative online learning tools such as ForestVR, online teaching resources, and soon to be promoted live (as well as recorded) Forester Time webinars in terms 3 and 4 this year.

ForestLearning is asking for industry presenters to help share stories from the forests.

In November 2019, more than 150 students from around Australia had the chance to talk in real time with a forest worker via Zoom – all without leaving their classroom. Foresters



from Forico (Tasmania), South West Fibre (Victoria), Green Triangle Forest Products (South Australia) and SFM Asset Management (South Australia) took part in Zoom sessions with a classroom via smart phone in the forest.

Feedback from foresters and schools was unanimously positive, with students expressing their wonder in learning about how wood is produced.

Following another successful pilot using a new zoom technology 'webinar', with Sustainable Timber Tasmania's Dion McKenzie and a class from Narrabundah College, Canberra, in

mid-June, ForestLearning is now able to offer live webinars nationally to all schools.

Kylie H., a teacher involved in the June pilot, said of the webinar: "A huge thank you for making this happen and for your time. "The webinar

was equally positive: "I liked how the speaker really went into depth about all aspects of the job not just the sustainability part but also marketing and protecting"; "I liked hearing how there are many different jobs within the forestry field".

Zoom webinars offer presenters greater versatility in providing 'virtual backgrounds' of forest workplaces while sitting in the comfort of their office or home. Full screen PowerPoint presentations also overcome weather, OH&S and audio clarity issues.

ForestLearning's manager Beth Welden assists presenters with PowerPoint presentations, technology trials and acts as MC for each session.

ForestLearning is developing a calendar of topics and speakers and is inviting foresters and professionals involved in forest and wood products to express their interest to be involved. Visit www.surveymonkey.com/r/Q8P8MPP

FORESTLEARNING



With **BETH WELDEN**
Forest Learning Program Manager

was great, the content spot on for us; the students all left bouncing out of the classroom. A very happy and engaged audience."

Feedback from students

Timber & Forestry e-news is the most authoritative and quickest deliverer of news and special features to the forest and forest products industries in Australia, New Zealand and internationally. Enews is delivered weekly, every Thursday, 48 weeks of the year. Advertising rates are competitive with any industry magazine. Timber&Forestry e-news hits your target market – every week, every Thursday!

HEAD OFFICE

Timber & Forestry e-news
PO Box 69, Potts Point, NSW 1335,
Australia
Phone | +61 (0) 417 421 187

PUBLISHERS

John Halkett | +61 (0) 417 421 187
johnh@timberandforestryenews.com
Dennis Neilson | +64 (0) 7 349 2764
dennisn@timberandforestryenews.com

MANAGING EDITOR

Jim Bowden | +61 (0) 401 312 087
cancon@bigpond.net.au
PO Box 330, Hamilton Central QLD
4007, Australia

ADVERTISING

John Halkett | +61 (0) 417 421 187
johnh@timberandforestryenews.com
advertising@timberandforestryenews.com

The information contained in this publication has been obtained from sources assumed to be reliable. However, the publishers disclaim all warranties as to the accuracy, completeness, reliability or adequacy of the information displayed. Opinions expressed in Timber & Forestry e-news are not necessarily the opinions of the publisher or staff. We do not accept responsibility for any damage resulting from inaccuracies in editorial or advertising. The publishers are therefore indemnified against all actions, suits, claims or damages resulting from content in this e-news.

DELIVERED
WEEKLY TO
15,200
GLOBAL
READERS*

ADVERTISING RATES

timber
& FORESTRY *e*NEWS

Now in its 12th year, Timber & Forestry eNews has grown to be the Number 1 online weekly news journal for the forest and forest products industries – across Australia, New Zealand and internationally.

AD FORMATS



DISPLAY AD RATES

FULL PAGE: \$485

297mmH x 210mmW

HALF PAGE: \$290

Vertical • 254mmH x 93mmW

Horizontal • 125mmH x 190mmW

QUARTER PAGE: \$180

Vertical • 125mmH x 93mmW

Horizontal • 63mmH x 190mmW

THIRD PAGE: \$215

Horizontal • 73mmH x 190mmW

PAGE 1 Front cover strip: Contract booking

Horizontal • 30mmH x 190mmW

PAGE 1 Front cover module: Contract booking

Horizontal • 45mmH x 49.5mmW

PAGE 2 below story: Contract booking

Horizontal • 73mmH x 190mmW

CLASSIFIED ADVERTISING

JOB ADS: ONLINE BOOKINGS ONLY

BUY & SELL ADS: ONLINE BOOKINGS ONLY

744pxH x 720pxW

BANNER ADVERTISING

• **FEATURE PACKAGE: INCLUDES**

PAGE 3 strip below story / top email strip / top website banner strip

Horizontal strip • 30mmH x 190mmW

Email strip • 395pxH x 1500pxW

Top website banner strip • 120pxH x 1000pxW

• **STANDARD PACKAGE: INCLUDES**

PAGE 8 module / email module / website module on advertising page

Module • 45mmH x 44.5mmW

Email module • 336pxH x 336pxW

Website module • 260pxH x 260pxW

TERM DISCOUNTS

12 WEEKS: 7.5% 24 WEEKS: 10% 48 WEEKS: 15%

Timber & Forestry eNews is published by Timber & Forestry eNews PO Box 69, Potts Point, NSW 1335, Australia. Phone: 0417 421 187.

Delivered every Thursday, 48 weeks of the year to industry decision makers in Australia, New Zealand, the Asia-Pacific, North America, UK and Europe. Ad rates shown are based on a weekly booking.

DEADLINES

Display ads: Book by 9am Tuesday prior to publication

Supplied artwork: Wednesday 12 noon prior to publication. Supply quality jpg or pdf to our specifications. NO crop marks or bleed required.

WHO TO CONTACT

Media releases: Jim Bowden e: cancon@bigpond.net.au | **Display ad bookings:** e: advertising@timberandforestryenews.com

Accounts: e: johnh@timberandforestryenews.com | **Subscribe:** www.timberandforestryenews.com

Classified advertising: JOB ADS ARE COMPLETELY ONLINE.

Go to www.timberandforestryenews.com/post-a-job/ to place a job vacancy. Book by 12noon Wednesday prior to publication. Job ads are for individual positions. If more than one position is to be advertised, separate ads will need to be created and advertised accordingly.

BUY & SELL ADS ARE COMPLETELY ONLINE. Go to www.timberandforestryenews.com/product/buy-sell-advertisement/ to place an ad. Book by 5.00pm Tuesday prior to publication.

TERMS

New clients invoiced on booking. Existing clients 14 days.