

## MEMBERS' BULLETIN

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### Welcome

This first *Members' Bulletin* of 2015 is intended to keep you up-to-date with current ATIF activities. This edition comments on the distribution of the *ATIF Legality Compliance Toolkit*, the role of timber importers in product innovation and market expansion; the slide in the Australian dollar and other news.

### *ATIF Legality Compliance Toolkit*

The *ATIF Legality Compliance Toolkit* and associated USB memory stick designed to assist timber product importers and associated businesses comply with the requirements of the *Illegal Logging Prohibition Act 2012* and the *Illegal Logging Prohibition Amendment Regulation 2013* were distributed to all ATIF member companies just before Christmas. The USB stick contains a copy of the *Legality Compliance Toolkit*, plus letters to suppliers, questionnaires, worksheets, Customs broker template and diagrams in Word or PDF format.

If any company has not received a copy of the toolkit and USB stick please get in touch. Details of related training will be advised as soon as possible.

ATIF welcomes enquiries from timber product importing companies about access to the toolkit and downloadable documents. ATIF will charge a fee for the provision of this information to non-ATIF member companies.

### **Timber imports contribution to innovation and market expansion**

The role of ATIF member companies in leading the application of new products and building systems, notably tall buildings with massive panel construction systems and prefabricated floor and wall systems is making an important contribution to housing goals and the expansion of timber product markets.

Equally, the import of more specialised products, like laminate flooring, decorative plywood and cabinet timber has provided important inputs into the country's multi-billion dollar additions and alterations market.

"The timber importing sector will continue to make a positive contribution to the timber supply chain and building sector in 2015.



ATIF general manager John Halkett said he was disappointed that some narrow-minded sections of the industry have sought to continue to criticise imported timber products, rather than put effort into expanding the overall size of the market so that everyone benefits.

He said he was proud that in a number of ways timber importing companies had and will continue to push out the leading edge of product innovation and market expansion for the benefit of the entire industry during 2015.

### **Structural plywood standard open for comments**

Craig Kay, EWP national product manager for Tilling, represents ATIF on TM-011 Engineered Timber Products Standards Committee that includes consideration of structural plywood standards. He has advised that Australian Standard AS/NZS 2269.0-2012 Amd 1 for plywood structural specification is open for public comment. The call for comments closes on 20 February 2015.

While this is a relatively minor amendment ATIF members are invited to make comments either by going directly to the Standards Hub at <https://hub.standards.org.au/hub/public/> or by sending comments directly to Craig at: [CraigK@tilling.com.au](mailto:CraigK@tilling.com.au)

### **Deteriorating exchange rate**

Over the last few months, the Australian dollar (AUD) has experienced a significant decline against the currencies of key trading partners. This depreciation has been particularly pronounced against the US dollar and the Euro, but the AUD has also experienced declines against the Japanese Yen and the New Zealand dollar. When compared with the record highs reached against many currencies in the last few years, recent declines are all the more substantial.

Sharp declines in the price of Australian produced commodities, like iron ore and gold over the past twelve months have reduced transactions demand for the AUD. This effect has been accentuated by a slow-down of growth in China, a key market for Australia's exports. The easing of the AUD has also occurred against the backdrop of reduced tensions in financial markets. This increased 'risk tolerance' of international investors has seen 'safe haven' economies like Australia's becoming less important than previously.

At some point the weaker AUD is likely to place upward price pressure on some imported goods, including imported timber products. Generally the risk of higher import prices means that household incomes will suffer in terms of purchasing power. This may weaken the demand for both home building and renovations activity in the short term. However, the implications of the depreciation of the AUD for the construction industry will generally be positive over the longer term.

### **Other news**

- ▶ Timber importing companies that have recently joined ATIF are Blacktown Timber ([www.bttimber.com.au](http://www.bttimber.com.au)) and VIDA Wood ([www.vidawood.com](http://www.vidawood.com)). Membership of these companies requires endorsement by the ATIF Board.
- ▶ The next ATIF Board meeting is scheduled to be held in Adelaide in early March. With the assistance of Board Member Lou Boffo (Le Messurier Timber) the Board will take the opportunity to inspect timber supply chain issues in South Australia.

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