

MEMBERS' BULLETIN

October-November 2019

No 59

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Welcome

This *Members' Bulletin* is intended to keep you up-to-date with ATIF activities. This edition mentions some highlights for the recent ATIF Board meeting, including new Board and ATIF members, and lists the current membership of the Board. Also covered is an update on matters relating to the 2019-2020 Brown Marmorated Stink Bug (BMSB) high-risk season, and a quick summary of the market for imported timber products.

October ATIF Board meeting

The last meeting of the ATIF Board addressed topical issues impacting on the business performance of timber product importing and wholesaling companies. Top of the agenda were the challenges associated with the treatment requirements for the Brown Marmorated Stink Bug (BMSB) during the current high-risk season, and issues related to port congestion and additional charges. Also discussed was the present attention being paid to timber and other building product compliance, and the state of the current timber products market.

The ATIF Board was pleased to endorse Jacinta Colley, National Sales Director, Vida Wood Australia and Darrin Wheeler, CEO, Stora Enso Timber Australia to fill Board member vacancies. The Board approved ATIF membership for Evolution Forest Products and Newcastle Timber Trading.

Chairman Nils Koren acknowledged the valuable contribution retiring Board member Brenton Christopher, CEO, John Cook & Sons had made to the Board, and paid tribute to his almost 50 years of service to the timber industry and to industry bodies and wish him well for a well-deserved retirement.

The current ATIF Board membership is:

Nils Koren	Chairman	Robert Cairns	Frostopine
Brenton Christopher (retiring)	John Cook & Sons	Chris Woodhouse	Woodhouse Timber
David Meyer	Meyer Timber	Glyn Davies	Independent
Jacinta Colley	Vida Wood Australia	Darrin Wheeler	Stora Enso Australia



Brown Marmorated Stink Bug 2019-2020 treatment update

In relation to timber imports from Canada there is now agreement between the Australian and Canadian governments in relation to Heated Treated (kiln dried) timber products that fumigation treatment will not be required from 1 December 2019, as long as the Heat Treatment was carried out by a registered provider. Similarly, fumigation treatment will not be required from 1 December 2019 for timber products covered by the Canadian Green Sawn Wood Certification Program (CGSWCP) requirements.

These revised arrangements have been the subject of discussions in British Columbia involving the ATIF, Canada Wood, and major Australian timber suppliers Canfor and Teal Jones. Further discussions with officials from the Department of Agriculture and Water Resources about Canadian timber imports are scheduled.

Stora Enso Australia and the Tilling Group had both successfully lodged their applications for the Safeguarding Arrangements trial for the 2019-20 BMSB high risk season. Additional details on the 2019-20 BMSB seasonal treatment requirements, and for information on how to prepare for the BMSB season commencing 1 September see: www.agriculture.gov.au/bsmb Queries can be directed to spp@agriculture.gov.au or the BMSB hotline 1800 900 090.

Imported timber market update

Timber import data indicates that housing construction and domestic timber product demand has been much more muted during the year to date with clear signs of house construction easing in the Eastern states accompanied by continuing evidence of oversupply of city apartments, falling prices for existing homes and tightening lines of credit.

Timber imports have followed this trend. However, looking more long-term timber imports, particularly of structural timber and engineered products continue to be buoyant, but not at the remarkable 30 per cent plus growth rates of 2017-18.

Imports of sophisticated timber products are also likely to continue to be strong caused in part by the growing appetite for urban 'infill' and the opportunities presented by mid-rise wooden residential and commercial building construction.

Despite being significantly lower than a year ago, Australia's imports of sawn softwood timber recovered ground in July. At 45,600 cubic metres, July's imports were almost exactly 50 % higher than June's long-term monthly low of 30,400 cubic metres. However, annualised imports were 4.4% lower in July 2019 than for the prior month.

Some good news is that lending for housing finance expanded 5.1% in July 2019, compared with the prior month, lifting to \$17.9 billion. However, over the longer term, despite the monthly tick up, the total value of dwelling loans is still 11.8% lower than in July 2018.

A combination of housing and commercial construction recovering some ground; some easing of credit restrictions, and the running down of stock inventories built up over the latter months of 2018 should collectively see domestic timber demand, and therefore imported timber volumes continue to recovery ground in early 2020.