

# Government's postponement of a proposed 35pc tariff on Russian imports relief for EWP traders

## Increasing shortage of European structural softwoods has sideline impact on timber supply chains

IN a 'holding pattern' for engineered wood importers, the federal government's proposed additional tariff of 35% on Russian imports from April 25 has been postponed to October 25.

This has followed active engagement between the Australia Border Force and importers and industry bodies.

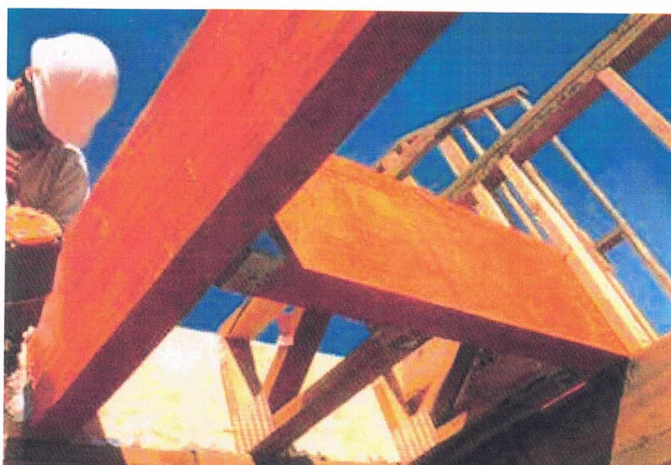
"This issue has resulted in numerous and polarised representations," Australian Timber Importers Federation general manager John Halkett said.

"To make it crystal clear, ATIF condemns in the strongest possible terms Russia's invasion of Ukraine and the atrocities committed by the Russian military," he said.

"We continue to be supportive of the government's economic and financial sanctions against Russia and Belarus."

However, ATIF has advocated that shipments of Russian timber products paid for and shipped in good faith prior to the 'conflict timber' resolution on March 4 should not be subject to a retrospective additional 35% import tariff.

The Australia Border Force has now made a ruling supporting this position. Subsequent correspondence between ATIF and ABF has confirmed that companies importing timber products from Russia that have consignments presently in-transit and expected to be landed at an Australia



**A shortage of LVL and other softwood structural timbers, not only from Russia but from Europe, are likely to result in a significant reduction in the capacity of Australia's timber supply chain.**

port between April 25 and October 25 will not have to pay the additional 35% tariff.

ABF has pointed out that importers will need evidence that the goods were in-transit, and comply with other conditions set out in the Australian Customs Notice 2022/21.

"ATIF members have been advised to ensure documentation confirming that timber product shipments originated from Russia and have been in transit is available for inspection by Australian port authorities and officials," Mr Halkett said.

The federation has been in discussions with officials from various federal government departments about timber product supply constraint realities that have

**“EXPLORING  
OPTIONS FOR  
DIVERSIFYING  
SUPPLY CHAINS**

structural timber import shortages, not only from Russia but from Europe more broadly, are likely to result in a significant reduction in the capacity of the Australian timber supply chain to import sufficient quantities of both engineered wood products and solid wood softwood structural products for the foreseeable future.

In correspondence to ATIF chairman Nils Koren, the Minister for Trade and Investment Dan Tehan acknowledged the impact on supply chains brought on by current situation across

arisen as a result of the invasion of Ukraine.

In particular, softwood

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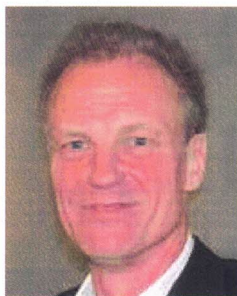
Europe. The Department of Industry, Science, Energy and Resources has noted the disruption to existing supply chains and intends to explore options for diversifying supply chains while acknowledging that it is critical to sustain building and construction businesses reliant on such imports.

“The minister also noted

**“TASK FORCE WOULD ASSESS IMPACT ON TIMBER SUPPLY**



Dan Tehan



Nils Koren



John Halkett

that it is essential strong contingency plans are developed to mitigate the impacts of the now-evident disruptions to existing supply chains and associated arrangements,” John Halkett said.

In discussions with officials, it has been proposed that a

joint taskforce comprising representatives from federal industry, trade, foreign affairs and supply chain resilience portfolios, together with relevant timber industry bodies, be established.

“Such a taskforce could assess impacts on timber products supply chains,

analyse import data and explore options to assist in mitigating prospective reductions in supply,” Mr Halkett said.

While it is a relief this additional tariff has been delayed, it unfortunately is not stopping the ever-increasing shortages of EWPs in the building and construction sectors due to the high demand for the product and increasing costs to ship the goods into Australia.

Russia is a key supplier of EWP and pine framing to world markets, but it is likely supply chains will be disrupted in the coming months.

## US short of thousands of firefighters as summer approaches

THE US Forest Service is short thousands of wildland firefighters as it enters what is expected to be another challenging fire season amid a historic drought in the West.

The agency has publicly said it has 90% of the staff it needs, or 10,200 firefighters. But deputy chief Jaelith Hall-Rivera said that figure was the sum of the firefighters the agency had “either on

board or have made offers to.”

But as of the end of April, a \$600 million pay raise approved by Congress to help recruitment and retention

efforts has been stuck for months in a bureaucratic morass. The raises were for 50% of firefighters’ salaries or \$20,000, whichever is less. Firefighters have yet to see a cent of it.

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portal allowing impacted workers to access compensation packages is still not open and Ms Farina has urged state government action on this.

FIFWA has been in discussions with the government to allow workers to access resources through the Native Forestry Transition Group as soon as possible.

Parkside’s Nannup and Manjimup facilities will

continue to operate. Nannup was acquired in January 2020 from Nannup Timber Processing. Significant investment has been under way to make it just a green mill processing jarrah products.

The Manjimup site has been rebuilt as a specialist processing centre with \$12 million invested since January last year using world’s best technology.

• Poor scientific advice, P 6.



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Responsible Wood   
RW/1-10-1