

WADIC

Windows and Doors Industry Council

www.wadic.org.au

NEWS

This issue: AGM to be held in Brisbane ||| Code of conduct a collaborative industry project ||| Chain of custody challenges

AGM to be held in Brisbane on 26 October 2009

The last forum for this year will include the WADIC AGM and will be held on 26 October, 2009 at 6.00pm at the Holiday Inn, 159 Roma Street, Brisbane. In relation to the AGM being held in Brisbane, WADIC general manager Bronwyn Foord said: "We have never had one there before so it is more than overdue!"

Mrs Foord pointed out that in this issue of the newsletter members will read about how WADIC was approached by the Timber Development Association (TDA) to participate in a representative group from the timber and wood-based products industry sector to be consulted in relation to the preparation of a Code of Conduct for Legally Logged Timber. "The WADIC participation has entailed many hours of intense research and consideration of copious amounts of information presented by the TDA."

"The WADIC role has been purely a consultative one with the main aim of WADIC's participation being to minimise the potential negative and financial impact on our industry," said Mrs Foord.

"For those members who attended Code of Conduct workshops in Perth, Melbourne, Brisbane and Sydney on WADIC's behalf we thank you."

"I would also like to formally thank Peter Garth from Valley Windows, Victoria who fabricated



Bronwyn Foord, WADIC General Manager – Brisbane AGM to be a first for WADIC.

and participated with WADIC and the TDA in the testing of windows in relation to the Bush Fire Code," she said.

"To all of you who completed the questionnaire on timber supply, thank you. A summary of the results of the survey are included with this newsletter," Mrs Foord concluded.

The Window and Door Industry Council Inc. (WADIC) is a service organisation representing the timber windows and door manufacturing sector. WADIC provides assistance to members to aid compliance with Australian standards and building codes. WADIC promotes the environmental and performance benefits of members' products and provides members with information about energy rating systems. WADIC also acts on behalf of members in representations to governments and regulatory authorities to ensure that members' rights and access to markets are safeguarded.

President – Glenn Johnston

Stockwells Joinery Pty Ltd, Sydney NSW

Vice President – Matthew Baker

Bruce Baker & Co, Kempsey NSW

Secretary – Mark Foord

Fewings Joinery, Sydney NSW

Treasurer – Ian Ramsay

Timbeck Cedar Products, Sydney NSW

Committee

Allen Cox

North Coast Joinery, Forest Glen QLD

John Rule

Dengate Joinery, Tamworth NSW

Matthew Lee

Specialty Timber Traders, Dural NSW

Steven Cameron

Centor Architectural, Sydney NSW

Bill Davies

Baker & Davies, Moorabin VIC

Steve Bulman

Westside Joinery, Sunshine VIC

Tino Basso

Tiana Joinery, Hahndorf SA

Code of conduct a collaborative industry project

WADIC is part of a Timber Development Association (TDA) lead consortium working to develop a Code of Conduct to consolidate and improve systems to verify the legality of the harvest and trade of wood-based products.

Project leader, TDA's sustainability program manager Stephen Mitchell said timber and wood products are excellent for the environment and society provided they are from legal sources. "For a number of years different industry sectors have worked to maximise the certainty that wood-based products are sourced from legally harvested forests and plantations."

"While legality of forest harvesting and importation of wood-based products are complex issues, substantial progress has already been made in addressing and reducing illegality risks," he said.

WADIC general manager Bronwyn Foord said the Code of Conduct project is working towards a generic code that 'tests' issues like country of source risk, compliance with legal verification systems, audit procedures and enforcement mechanisms. "To ensure that both imports and Australian produced wood-

based products pass acceptable legality assurance requirements."

"The project will assist the Federal Government in painting in some of the components of their illegal logging policy. The project has involved wide consultation across industry sectors such as paper, furniture, windows and doors manufacturing as well as importers of sawn wood and composite wood products. It has also involved consultation with Federal Government forestry, trade and border control agencies," she said.

The consultation phase of the project has involved workshops on Melbourne, Sydney, Brisbane and Perth. Bronwyn Foord reported that the workshops considered how a code of conduct might cover issues like the purchase, border verification, distribution and sale of timber products across importing and domestic sectors of the supply chain.

"The code will incorporate and build on existing industry codes and company procurement guidelines. It will include objectives, rules and administration arrangements for verifying that forest-based products are obtained from legally harvested and traded sources"

Bronwyn Foord said she is concerned that the implementation and administration costs of this code the way it is proposed, at the time of writing this article, will require some significant funding and the burden could fall solely to industry and the voluntary participants.

In addition to WADIC, associations participating in the project are: Australian Timber Importers Federation (ATIF); Australian Plantation Products and Paper Industry Council (A3P); Australian Window Association (AWA); Australian Wood Panels Association (AWPA); Engineered Wood Products Association of Australasia (EWPAA); Furniture Industry Association of Australia (FIAA); National Association of Forest Industries (NAFI); Queensland Timber Importers, Exporters and Wholesalers Association (QTIEWA), and Timber Development Association (TDA).

Glenn Johnston WADIC President (centre) compares notes over lunch at the Sydney workshop with Norm Long, President, Australian Timber Importers Federation and Allan Hansard, Chief Executive, National Association of Forest Industries.



Chain of custody challenges

The Government is considering ways in which the importation of illegally sourced timber and wood products can be eliminated. Forest certification schemes, such as Forest Stewardship Council (FSC) and the Australian Forestry Standard (AFS), together with their associated Chain of Custody (CoC) systems have sometimes been proposed as a way of achieving this goal. Whilst such certification schemes give a high degree of legality certainty, there would be serious problems for joinery and furniture industries if forest certification and CoC systems were to be adopted as the sole allowed method for 'proof of legality'.

The supply of certified timber suitable for furniture and joinery is limited. For example, in the case of US hardwood forests - the source of many of Australia's fine furniture timbers - only four per cent are certified, even though they are sustainably managed. The reason for this is that forest owners are family farmers with wood lots of ten hectares or less. These owners cannot afford the costs of attaining certification.

In the case of AFS, certified NSW hardwood forest species, such as spotted gum and blackbutt, the demand for high grade timber

regularly outstrips supply, especially for processing into products like mouldings and decorative veneers. The small private property growers of such species generally cannot afford to get their woodlots certified, restricting the supply of such certified species to State Forests (and to mills with wood supply agreements with State Forests.)

Note that the CoC 'chain' is broken if timber from different certification schemes is mixed together. Timber certified under different CoC systems needs to be stored separately. Such practical issues result in a significant increase in the complexity and cost of manufacturing, documentation, product tracking, training, storage and stock control. Further, storage and other duplication is required for certified and non-certified products, resulting in a need for additional storage space and increased costs required to fund greater timber product inventories.

Adding up all these costs and amortising capital costs means that CoC for certified timber products may cost in the vicinity of \$20,000 to \$200,000 a year for a small to medium-sized business, depending on the business type, manufacturing complexity, cost

of raw materials, finance costs, cost of extra rental space and so on.

Most Australian joinery and furniture businesses employ less than 30 people. Such businesses often do not have the financial and human resources, time or specialist skills to undertake the documentation, training and establishment of the administrative systems needed to manage CoC systems.

For the foreseeable future, therefore, other systems, such as due diligence mechanisms and codes of conduct will need to be developed as being acceptable as proof of legality. Of course, forest certification and related CoC would also be an acceptable method.

It would be desirable for the Government to work with all forest certification bodies to develop a common CoC system that enables timber from different certified forest origins to be combined together without 'breaking the chain'. Also, many small private property hardwood growers require assistance to achieve forest certification. If these objectives could be achieved CoC will start to become a realistic option for more medium-sized joinery and furniture businesses. However, the significant costs associated with CoC systems will continue to be a barrier for many companies.



Timber certified under different systems may need to be stored separately resulting in significant increases in the complexity and cost.

WADIC

Windows and Doors Industry Council

Contact Us

Bronwyn Foord General Manager

609 Gardeners Rd Mascot NSW 2020

Telephone (02) 9700 8798

Fax (02) 9700 8807

Email (General Enquiries)
info@wadic.com.au

Email (Member & other contact)
admin@wadic.com.au

Newsletter Editor

John Halkett

For editorial enquiries contact:
phone 02 9356 3826
email halkettj@netaus.net.au

Newsletter Design

Emigraph Creative



Printed on 100% recycled paper