

Newsletter 16 June 2022

WPMA Conference – 20 October 2022

We are pleased to advise members and other key stakeholder that WPMA will be holding a one-day Conference in Rotorua on Thursday 20 October 2022 followed by an industry dinner that evening. The purpose of the Conference is to invite a line-up of high-quality speakers to present on relevant and important topics across the sector as well as providing an opportunity for delegates to meet and network with one another after the Covid lockdowns. We encourage you to lock this date into your calendars.

We are currently developing the programme for WPMA's conference and would welcome your views on potential topics and speakers that would be of interest to delegates.

Advance Manufacturing Draft Industry Transformation Plan

In early June the Minister for Economic and Regional Development, Stuart Nash, released the [Advance Manufacturing Draft Industry Transformation Plan](#) (ITP) for public consultation.

The ITP has identified six key priorities intended to drive growth and transformation of the advanced manufacturing sector including:

1. improving the understanding and perceptions of advanced manufacturing
2. increasing investment in advanced technologies and processes to lift productivity and wages
3. making innovation, R&D and science work for advanced manufacturing
4. attracting and developing a diverse high-skilled and high-wage workforce
5. creating a leading sustainable circular net-zero emissions sector
6. enhancing global connectivity and opportunities.

Six online thematic workshops have been organised with the purpose of testing and refining actions under the 6 ITP priority areas between 22 June and 7 July. To register for these workshops [click here](#).

WPMA intends to write a submission on the initiatives listed under the ITP's key priorities, which will be provided to members who may also wish to express their views on which key initiatives would enable them to transform their business.

This ITP is one of eight Industry Transformation Plans being undertaken across different sectors. The development of the Forestry and Wood Processing Industry Transformation Plan is nearing completion with public consultations expected to occur between August and September.

Arhopalus ferus flight season status

In case you missed it the 2021/2022 *Arhopalus ferus* flight season closed for all New Zealand ports on the 26th April 2022.

Consignments loaded after this time are not subject to the *Arhopalus ferus* flight season requirements. Monitoring for *Arhopalus ferus* continued for two weeks until 10 May 2022, but this has subsequently stopped, marking the end of monitoring for this season.

If you require further clarification, please contact your Independent Verification Agency (IVA) in the first instance. More information is available [here](#)

Primary exports hit \$50 billion for the first time

Last week MPI presented its [Situation and Outlook for Primary Industries](#) (SOPI) for June 2022. The report notes that the export revenue from New Zealand's food and fibre sector is expected to reach a record \$52.2 billion in the year to 30 June 2022, up from \$47,741 billion on the previous year.

In respect of New Zealand's forestry export revenue this is forecast to decrease to \$6.2 billion for the year to 30 June 2022, down 4 percent from the previous year on the back of slowing production. The contributing factor is expected decrease in log export volumes by 15 percent to \$3.4 billion, while domestic processed consumption volumes are expected to increase 12 percent to \$2.85 billion in the year to 30 June 2022. With high shipping prices and ongoing supply chain disruptions, the report notes that New Zealand's export outlook remains uncertain.

Log harvest volumes are set to be 34.4 million cubic metres in the year to 30 June 2022, down 10 percent from a record 37.7 million cubic metres last year, with roundwood available for harvest is expected to remain at historically high levels over the forecast period.

Domestic processed and consumed volumes converted into cubic metres of roundwood is expected to increase 12 percent in the year to 30 June 2022. Domestic consumption of wood products has been supported by low interest rates and historically high home building consents. In the year ended March 2022, new dwelling consents were up 24 percent from the year ended March 2021.

The report notes that rising interest rates are forecast to lower investment in the construction and property sector. Price increases, wage increases and supply issues for complementary materials are contributing to cost increases, and projects are taking longer to complete. Domestic demand for wood products is expected to remain strong in the short term as the high levels of new projects take time to complete. In the medium term, domestic demand is expected to slow as the construction sector sees decreased investment.

Forests (Legal Harvest Assurance) Amendment Bill

The [Forests \(Legal Harvest Assurance\) Amendment Bill](#) has had its first reading in Parliament. The Bill's intended purpose is to establish a new regulatory system for providing legal harvest assurance for the forestry and wood-processing sector that at will:

- assist in the prevention of international trade in illegally harvested timber; and

- strengthen the international reputation of the New Zealand forestry and wood-processing sector; and
- safeguard and enhance market access for New Zealand forestry exports; and
- reduce the risk that timber imported into New Zealand is sourced from illegally harvested timber.

As part of the proposed legal harvest system, timber importers, exporters, log traders and primary processors will be required to register and establish due diligence systems to demonstrate that the timber they have obtained has been legally harvested above specified thresholds (eg. above low volume activity of 2,000M3/year).

A registered exporter will be able to apply to MPI for an exporter statement to assist with market access that states, among other things, they are registered for legal harvest and are complying with any export requirements.

The Bill provides for recognition of private certification schemes (FSC and PEFC) in the due diligence system in minimising the risk of the person dealing in any timber that is not legally harvested.



SCION: Redwoods could outperform pine for sequestering carbon in some parts of NZ

Lead author, Dr Watt, who is a Principal Scientist at Scion, says “Growth rates of redwood

were found to be highest in warm, wet areas with optimal regions for the species including Waikato, Bay of Plenty and Taranaki”.

Their research shows that by age 40 average carbon for redwood within the North Island exceeded that of radiata pine for stands growing at medium to high density. Predictions of carbon at age 40 for redwood were very high within the Bay of Plenty and Waikato where they reached 4,000 tonnes CO₂/ha at some locations which far exceeded the 1,750–2,500 tonnes CO₂/ha reached by radiata pine at these sites. As redwood grows faster than radiata pine at older ages, the species difference in carbon becomes even more pronounced at age 50 for sites that are suited to redwood.

Redwood was found to grow relatively slowly on cold and/or dry sites and the species had lower carbon productivity than radiata pine at age 40 throughout most of the eastern South Island. Although the maps that were developed are intended only as a guide for afforestation and growers should take into account microsite effects, they do clearly illustrate the environmental preferences of both species. For more information [click here](#)

From Canada: This Coquitlam neighbourhood is home to the city's first mass timber community

In Coquitlam [British Columbia, Canada], [Adera Development](#) has plans to build 500 homes out of mass timber as it stakes its claim on the sustainable building material. COO Rocky Sethi said the homes use a SmartWood technology, which is rated for noise dampening, and homes are designed to include private and communal outdoor spaces, such as massive rooftop decks, for people who want "healthier living" options.

Additional benefits to mass timber, said Sethi, is that it is less expensive than concrete and faster to build than typical framing. He adds it causes less disruption because fewer workers are needed to construct a building and creates less waste as panels are pre-fabricated off site.

Today, buyers are snapping up one- and two-bedroom units at Adera's recently completed [Duet City Homes](#) (708 Lea Ave.), a stacked townhouse project with 60 units. The homes are selling from between CAN\$550,000 for a 486 sq-ft. one-bedroom suite, with a private outdoor entry, and CAN\$899,900 for a two-bedroom with a 400 sq-ft. deck, according to recent [listings...](#) [read more](#) [TriCity News 16/6/22].

Stephen Macaulay
Chief Executive