



AUSTRALIAN FOREST CONTRACTORS ASSOCIATION LTD.

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“The Log” 20 September 2011



Hello and welcome to another edition of “The Log”, the Australian Forest Contractors Association Ltd’s own internal electronic Newsletter for all of our Members and Corporate Partner Sponsors.

Firstly this week we are pleased to welcome a new corporate partner / sponsor on board. IVECO Trucks Australia Ltd have become a supporter of AFCA. In coming weeks we will be telling you about ways in which they can help you with your haulage work, and what products they have available to suit you.

The funding provided by IVECO will be used to help pay our membership of the Australian Trucking Association, and to ensure that we continue to bring lots of haulage news to our members through “The Log”. We also look forward to having them come along to some of our members meetings around the country to get to know everyone.

In the interim, we would like to thank Director of Sales and Marketing John Koot and Marketing Manager Meg Hurley for seeing us as a worthwhile organization, and look forward to having a partnership with them that is beneficial to both of us.



If you would like to get in early and see how they can help your business, go to www.iveco.com.au, or give John a call on 0409 096 734.



Talking of haulage and transport, recently I met with the people in charge of bringing the new National Heavy Vehicle Regulator (NHVR) into existence. Project Manager Richard Hancock and Principle Shareholder Manager Tim Hansen were in Melbourne and we were offered an opportunity to put our industry forward and highlight some of the issues faced by our haulage operators.

The result of the worthwhile meeting is that the Regulators said they found it very beneficial to discuss the issues for our industry and to have got our insights on them. They will also now be taking part in AusTimber in Mt Gambier next March where they will be able to highlight what the Regulator is all about



They are also very keen to keep the engagement strong with our members, and want to know of any future opportunities where they will be able to meet and address any specific queries. We will also be kept in mind for any opportunities that come up to be involved in any future working groups etc. The NHVR, is due to come into existence in January 2013 and will be an independent body under statutory authority established in Queensland and recognised by all States and Territories. Its aims are to achieve:



- Efficiency – a common set of laws for heavy vehicles for all states and territories.
- Safety – a national safety monitoring and reporting system dedicated to heavy vehicles.
- Productivity – ability to provide quick responses to changing industry trends and needs e.g Permits.
- Services – a single point of contact for all heavy vehicle regulation in Australia.
- Compliance and enforcement – a unified national strategy and approach.
- Registration – Standardised fees based on a national plate.

Meetings such as I one had with Richard and Tim are all good opportunities to show that our haulage operators are not just like the normal freight truck operators that operate on our highways, and that we do in fact have many differences that need to be addressed when new regulations are being discussed

We thank them for their time and for giving us the opportunity to put our industry forward.

Speaking of AusTimber, it's coming closer and March 2012 will be here before we know it.

AUSTimber 2012 General Manager David Quill and Site Manager, Ian Tyler attended the PF Olsen Forest Industry Expo in Rotorua, New Zealand recently to follow up marketing opportunities for AUSTimber. Ian Tyler's thoughts are below.



First of all, among the "big boys" there was some excitement regarding our expo in that the size of the AUSTimber site and ability for in-forest demonstrations would provide a superior method of demonstrating their equipment. The New Zealand Expo provided static sites only on a golf driving range, and this was highlighted by vast amounts of empty space. Forestry machinery companies were comparing the opportunities AUSTimber provided with the New Zealand show, and looking at different combinations of equipment that they wish to highlight in March 2012. These were the truly converted, and it was good to see the good natured bullshitting and one-upmanship still thrives (good for business). It was comforting to hear that the confidence of overseas visitors was high and that they were putting together large groups to attend AUSTimber.

The next group were those we approached who were undecided about coming or hadn't thought about it yet, or worse, were perturbed by the rumors of lack of accommodation and transport. This is where we were able to have a real effect, putting a face to AUSTimber 2012, giving immediate answers to their queries, along with promises of help if required, and where and how to get it. The numerous requests for the prospectus were reassuring.



Neutralizing the negative vibe was invaluable, making the hours spent talking worthwhile, and put faces to the cards and business. In general I believe these were the indoor exhibitors, some with new products to showcase, with a lot of them doing it tough, looking to increase their market share. It was good to note that NZ engineering, manufacture and export were keen to exploit the high Australian dollar.

The others were local, or too small to travel, or only had one expo in the budget. Those who seem dogged down by the thought that Mt Gambier has no accommodation or flights at least were set right. Here we could only reinforce those who were reinforceable. Our friendly faces certainly did no harm and we were made extremely welcome with all exhibitors keen to show us their wares.

In particular the in-forest exhibitors were excited by the long term publicity we have provided and with a long lead-up, the ability to visit our expo site.

Another valuable point worth mentioning is the time David spent reinforcing potential exhibitors with facts, rather than opinions, that AUSTimber 2012 is not just logging, but also sawmilling, firewood and all aspects of the forestry industry from seed to sawlog.



We achieved our objectives and congratulate the organisers of the New Zealand Expo for staging the event that was unfortunately poorly attended in a very difficult economic”

Thanks to the AusTimber guys for the above and we look forward to having more news about the big event in coming weeks. If you haven't made your plans to attend yet, please get on to it soon so that you don't miss out. www.austimber2012.com.au, is where you can get all the information you need..

One of the fundamental regulations we constantly refer to in our industry are the RFA's (Regional Forest Agreements). Here's an update on what's happening with them

“The Australian Forest Products Association (AFPA), recently commented upon Regional Forest Agreements as part of a review processes after an academic called for a major review of them in the context of old-growth forests and fire management. To clarify its position, AFPA is calling for the timely completion of existing review mechanisms and strongly supports the RFA process as a basis for providing a stable future for the native forest industry in Australia.



In particular, the industry has welcomed the bipartisan support of both the Government and Opposition with regard to the RFAs – given their critical importance to national forest policy and the native forest industry.

These 20 year agreements between the Commonwealth and the States were the culmination of extensive scientific studies and ecosystem mapping to establish an extensive forest reserve system while at the same time identifying areas available for wood production in accordance with accredited sustainable forest management practices. The RFAs have consequently provided a basis for resource security and investment in downstream processing.

However, AFPA has been concerned with delays in the completion of five yearly reviews for some RFAs as well as the growing need for their longer term renewal, given the end date of most agreements over the next five to ten years. The RFAs make provision for negotiation on longer term arrangements. An ‘evergreen’ or rolling RFA model has been proposed by industry as a way to ensure long term resource security while subject to appropriate periodic review. Such a model would facilitate the necessary assessments and provision of wood supply into the future in terms of wood volume and quality. The renewal of RFAs would also be an opportunity to improve ‘review, audit and monitoring arrangements’ as identified by previous Environment Minister Peter Garrett and further endorsed by Minister Tony Burke.



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A key concern of industry has been the extent to which a large proportion of multiple-use forest has been transferred to forest reserves (e.g. national parks) beyond the original agreements - which were intended to strike a balance between environmental protection and providing resource security for industry. The industry is concerned that

forest reserves have not necessarily been subject to the same high environmental standards as for multiple-use forest areas available for timber harvesting, including related issues with respect to fuel and fire management.

AFPA will continue to work proactively with Government on improving RFA implementation and outcomes to underpin an internationally competitive native forest industry.”

Thanks to AFPA for the above which is taken from their latest “Canopy” newsletter.

AFCA is fully aware of the importance of the RFA’s and continues to support AFPA in this initiative.

Well, that’s all for this week. Thanks for taking the time to read this edition of “The Log”. We hope you all have a safe and profitable week and we look forward to bringing you some more news from our industry again next week.

Regards to all
David Drane

