The trends and consequences of unrestricted solid timber imports

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Introduction

New Zealanders are increasing their consumption of special-purpose solid timber product imports. The volume and value of these continues to grow; the value now exceeds NZ$350 million a year (to June 2005) and the total volume (not including mouldings, furniture and miscellaneous products) has risen to 60,000 m^3 (Figs. 1 & 2)[1]. Imports of special-purpose solid timber are now increasing at 14% per annum (by value).

This growth is undermining the economic viability of many small timber industry businesses and manufacturers, especially furniture makers. The imports also remove the opportunities for the forest and timber product industries to make an even greater contribution to the national economy through the growing, processing and use of our special purpose timbers. In general, the imports obstruct investment in the New Zealand special-purpose timber industries.

There are a number of facets to the issue of increasing special-purpose solid timber imports which this article will attempt to examine.

Consumer awareness

It is clear that New Zealanders are increasing their consumption of special-purpose solid timber products. Many would call themselves conservationists and most would value the country's clean and green image. So why do Kiwis support the conservation of 4.5 million ha of their own public indigenous forests and yet purchase the likes of Indonesian kwila, Canadian western red cedar, American white oak, or Fijian kauri without a thought to the sustainability credentials of that timber?

A study[2] earlier this year revealed that few, if any, imported timber products arrived in New Zealand with credible sustainability credentials. The study's results indicated that most New Zealand timber consumers don't know or don't care about how forests are managed, how timber is produced, or who makes the timber products they buy. In general it would seem that environmental considerations play a minor part in New Zealander's decisions to purchase special-purpose timbers compared to their price, function and aesthetics.

We believe that the government, the forest industry, and organisations like 'Buy New Zealand' have an important role in improving the public's knowledge and in changing consumer behaviour.

New Zealand law and international trade

New Zealand's private indigenous forest producers are subject to the detailed sustainability provisions and

Fig. 1. New Zealand special-purpose solid timber imports by volume (m^3). Note that volume statistics are not available for mouldings, furniture and 'miscellaneous products'.

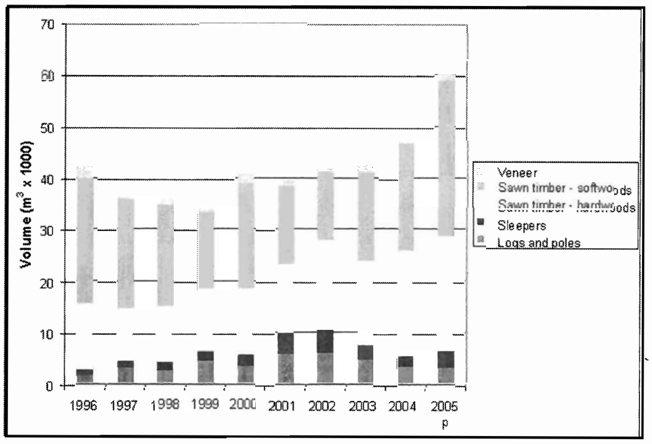
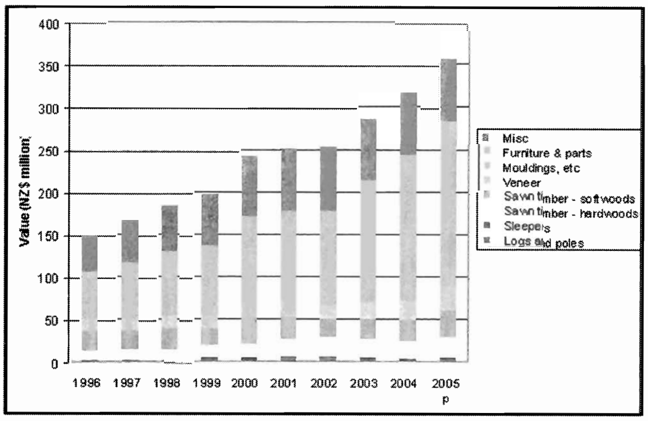


Figure 2. New Zealand special-purpose solid timber imports by value (NZ$).



Note: Some of the furniture imports may be made from NZ-grown radiata pine. This is not differentiated in the statistics but is unlikely to be a major component.

Note: More detailed data on the volume and value of solid timber imports (sleepers, poles, and lumber) by species and country of origin is available on the MAF website.

standards of the Forests Act as well as the RMA. While our indigenous forest producers are expected to meet rigorous environmental requirements, there are no statutes requiring imported indigenous timber and timber products to meet any sustainability criteria or standards. These unrestricted solid timber imports therefore undermine the viability of our own sustainable indigenous forest industry.

Although the government has introduced its own timber procurement policy[3], the policy fails to provide an effective control over its own use of imported timbers. While the government has moved against imports of timber from illegal

[1] *Based on statistics from the Ministry of Agriculture and Forestry website.*

[2] *Ecologic magazine Autumn 2005, Ecologic Foundation*

[3] *Government Timber Procurement Policy, September 2003*

logging, there has been no action taken to control imports of unsustainably produced special-purpose timber.

Alternative species and substitution

There is an extensive range of timbers which can be grown in New Zealand with a wide variety of properties and characteristics. With proper support and research many of these timbers can be economically grown and processed into valuable products for the domestic market. The authors consider there needs to be more comprehensive support for the growing and use of (so-called) alternative species when consumers clearly want a variety of special-purpose timbers.

Given the current need for raising biodiversity, protecting erosion-prone hillsides, and increasing carbon density of vegetation cover, the reasons for increasing our forest estate is obvious. A more diverse forest estate would help reduce the growing dependency on special-purpose timber imports. Many of the timbers which are presently being imported could readily be replaced by New Zealand-grown timber, exotic or indigenous, with little loss of utility or appearance. For instance, plantation-grown totara would be an excellent substitute for imported western red cedar in many applications.

Local industry decline

Almost without exception, every category of solid timber product has seen an increase in both volume and value (Figs. 1 & 2). The most significant, in terms of value (Fig. 2), is the importation of furniture and furniture parts. This is undoubtedly affecting both the New Zealand furniture makers and the New Zealand timber growers who supply them.

Closures of local furniture manufacturers pepper our local news and now a large Christchurch furniture manufacturer has been warned that next year their products may be dropped in favour of cheaper imported lines. Furthermore, the government's singular pursuit of free trade deals with large foreign economies are very likely to accelerate the demise of our small and medium-sized domestic growers, processors and manufacturers.

Conclusions

From what has been outlined above, it is apparent that the legal framework and policy direction set by politicians, bureaucrats, and industry leaders for the entire industry are not comprehensive. There is a need to fill policy gaps and ensure that the individual policies covering forestry, agriculture, conservation, sustainability, trade, and climate change are better aligned. This will help make New Zealand more self-sufficient in its timber requirements.

Considering that our forest resource is dominated by radiata pine and that our forest industry strategies and initiatives are primarily focused on this one species, are we not overlooking some important opportunities and risks? Steps must be taken to ensure that our politicians, the policy makers, the public, and indeed our own forest industry representatives are better informed about the properties, management, economics and social benefits of growing and using our own special-purpose indigenous and exotic timbers.

Advance Notice: 2006 NZIF AGM and Conference

Venue: Te Papa in Wellington

Dates: 20 to 23 April 2006

20 April: NZIF AGM
21-22 April: NZIF Conference
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For queries, suggestions, etc on the conference, contact Howard Moore
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