

## e-bulletin

March 2006

Welcome to you all.

We look forward to providing our services to you throughout 2006. If you have any enquiries please feel free to call or email via the contact numbers at the end of this newsletter.

Cheers Glenn

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## Outlook for 2006

The local Australian Wood Panels market outlook is still rather flat but not necessarily as bad as conditions experienced in Europe in the last few years. Most companies are undergoing some belt tightening as the domestic market and economic conditions conspire against them.

Notably, domestic housing starts are predicted by the HIA to drop by 4% this year. This will have a direct effect on demand for panel products. On the export front a high Australian dollar and in some cases higher fibre costs are making export markets look unattractive.

Other inputs remain relatively high due to the continuing high oil prices.

## Productivity Commission Recommendations

The Australian Federal Government has finally responded to the finding of the Productivity Commission inquiry into energy efficiency. The action adopted is to endorse recommendation 10.1 - to carry out an ex post study of the effectiveness of current energy efficiency standards in the building industry.

There is no talk of delaying any further measures until these results are known. The recommendation reads as follows:

### "Recommendation 10.1

*The Australian Building Codes Board should, as a matter of urgency, commission an independent ex post evaluation of building energy efficiency standards to determine:*

- *how effective the standards have been in reducing actual (not [.....top](#))*

*simulated) energy consumption; and*

- *whether the financial benefits to individual producers and consumers have outweighed the associated costs.*

*This evaluation should include the standards for residential buildings in New South Wales (BASIX), Victoria (5 star) and the ACT (ACTHERS), as well as the national standards in the Building Code of Australia.*

The government went on to say:

"The Government agrees with this recommendation in principle. The Government notes that building standards only address thermal performance of the building shell and not the total energy consumption of the household. The Government will consult with stakeholders to determine the most meaningful methodology, at a reasonable cost; to test the effectiveness of the standards in reducing thermal comfort related energy consumption. The Government will commission an appropriate ex post evaluation following the development of an appropriate methodology and when a sufficient number of building case studies and data are available for evaluation."

I feel that unless some common sense is used in the building thermal efficiency debate it is likely that wooden and composite floor construction will be further eroded over the coming few years. [.....top](#)

## NICNAS update

There is little progress to report in the ongoing discussion regarding the NICNAS Priority Existing Chemical review of Formaldehyde. In the December Chemical Gazette NICNAS announced that the publication of the report had been withheld due to an appeal before the Administrative Appeals Tribunal. Our understanding is that these matters are progressing slowly. [..... top](#)

## Standard Amendments

The Australian standards for Particleboard and MDF (AS/NZS 1859.1-2004 & AS/NZS1859.2-2004) have recently been amended to include a new classification for formaldehyde emissions.

The new class is called E0 and will have a 24hr desiccator value of  $\leq 0.5\text{mg/L}$ . The new classification has been developed so that purchasers can be assured that they are obtaining the lowest emissions possible.

**And Finally.....**

“Basic research is what I am doing when I don't know what I am doing.”

**Wernher von Braun**

*US (German-born) rocket engineer (1912 - 1977)*

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## **About Us.**

Tech Partners Australia is an independent Technical Service provider to the composite wood panels industry. Glenn Ryan who has 25 years experience in industry runs the organization. His experience covers Quality Management, Technical Service and R&D Management.

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