

# Newsletter 175

31 October 2011



Dear Members,

## **NRCS LEVIES FINALLY GAZETTED**

The “per m<sup>3</sup>” levy of R1.04 was gazetted on the 5<sup>th</sup> of August (GoN 628) and will be effective 5 February 2012. Levies will be due in 6 monthly periods - the first being by July 2012. Members will then be required to declare their treated production volumes from 5 February 2011 to 30 June 2012 to the NRCS and will subsequently be invoiced based on treated m<sup>3</sup> produced x R 1.04/m<sup>3</sup>. The system will be similar to the process used by the SABS timber department up to the mid to late 90’s.

## **ACTION TAKEN AGAINST ILLEGAL TREATER**

Due to on-going complaints from members of illegal treaters whom were allowed to actively compete with certified plants, and in some cases even sell timber to Local Government Departments, SAWPA arranged an urgent meeting with the NRCS. As a result of this meeting the NRCS allocated an Inspector to address the matter and on the 10<sup>th</sup> of October we accompanied the Inspector on a visit to an Illegal treater in the Limpopo region.

The treater was briefed on the legislation, compulsory specifications and requirements for compliance. The NRCS Inspector issued the plant with a report indicating the non-compliance, and stating that no commodities may be manufactured and sold from the premises. The plant was also given a time frame to indicate what steps they are going to implement to rectify or discontinue their illegal activities. The NRCS will at the end of this period issue the plant with a formal directive and should the plant then not comply with such a directive, then legal action will be taken to close the plant. Plans are underway for the NRCS to visit the other known illegal plants in the near future and we will keep you updated on the progress and outcome.

## **CREOSOTE SHORTAGE**

Members are all aware of the crisis regarding creosote shortages, of which the economic climate has played a huge role in the shortages experienced, and for the immediate, maybe more so in the case of FFS Refiners, due to the poor state of the Ferro Chrome industry resulting in tar shortages from the charring process. In the case of ArcelorMittal Coke & Chemicals, and as communicated to their clients and other stakeholders in industry, their short supply is as a result of problems at their plant due to breakdowns, and not a shortage of raw materials as yet. It has been reported that the management of AMCC has committed to investment for the repair and maintenance of the plant and that this will be done over a period of time.

Concerns were raised by treaters of the possibility of supply being stopped to certain plants, ensuring only supply to a certain group of plants; however both creosote suppliers have given their assurance that this will not be considered and that such action will be viewed as unethical and uncompetitive. They will be supplying to all “their” local customers and by the time you would have received this newsletter all creosote plants within South Africa would hopefully have received delivery of creosote. The volumes would and will in future be based on availability and therefore allocations will be made according to needs forecasted by treaters. The suppliers have also indicated that unfortunately they will also have to apply certain criteria and give priority to:

- South African treatment plants, thus no exports except to SABS or SATAS certified treaters, (only 1 in Swaziland);
- their own existing client base,

- Clients with a good financial standing and payment history; etc.

Jack Sewsanker, sales manager at ArcelorMittal has assured us that they are doing everything within their power to solve their problems and that investment into the plant had already been made, however with limited effect as yet. As communicated by FFS to their clients, they have also been doing everything in their power to address their shortage of raw material, and have already requested and initiated specification changes, which will allow additional creosote production to alleviate their shortfall. This has unfortunately led to a substantial levy in addition to the price per ton.

### CREOSOTE APPROVED UNDER EUROPEAN DIRECTIVE

The European Commission has recently announced that creosote has been approved for continued use under the European Biocidal Products Directive (BPD). Creosote will now be added to annex 1 of the BPD which lists approved substances. (A full copy of this article is available from Sue via email.)

### TALKING ROT

- Hits to the SAWPA website during June, July, August and September 2011 were 10890, 10764, 13900 and 15449 respectively
- *“Managing Treated Wood In Aquatic Environments”* – SAWPA has acquired this book from Forest Products Society. Members are welcome to contact Sue should you require any information relating to this topic.
- Don't forget : WoodEX for Africa in March 2012 - [www.woodexforafrica.com](http://www.woodexforafrica.com)
- We attach an interesting article on the timber foundations of the Taj Mahal

### WAGE AGREEMENT FOR SAWMILLING INDUSTRY

The latest wage agreement for the Sawmilling Chamber is available from our website. It includes the minimum wages and other terms and conditions of employment for the period 1 July 2011 to 30 June 2012. To download, click “Information”, “Topical and Safety Issues” and then at the information pertaining to Bargaining Council for the Wood and Paper Sector click on *“Substantive Agreement between Employers Association for the Sawmilling Industry & CCEPPWAWU & UASA & Solidarity.”* In summary, minimum wages have been increased by 8%, with a minimum wage now set at R1785 per month. The minimum wages for the forestry industry effective until 1 March 2012 was communicated to members in Newsletter 172 of 19 April and is currently set at R 1278.03 per month.

### CPA PRESENTATION

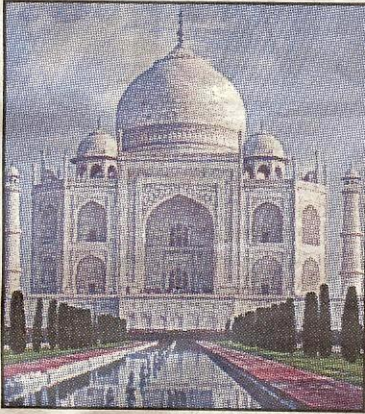
SAWPA has completed the countrywide presentations on the Consumer Protection Act and would like to thank all the members who were able to attend. Those who could not make it and who would like to get a copy of Mr Januz Luterek's presentation must please notify SAWPA and we will forward it to you.

### BRUCE BREEDT

SAWPA accepts no responsibility for any claim made in this newsletter.

Daily Mail – October 5, 2011

(This must one of the few times  
where moisture in timber has been  
advantageous!)



*Icon of India: Taj Mahal*

## Taj Mahal 'will fall down in next five years'

**THE Taj Mahal will collapse within five years unless urgent action is taken to shore up its foundations, campaigners warn.**

The 358-year-old marble mausoleum is India's most famous tourist attraction, bringing four million visitors a year to the northern city of Agra.

But the river crucial to its survival is being blighted by pollution, industry and deforestation.

The Taj was built on mahogany posts sunk into wells fed by the Yamuna river but its water levels are dropping by several feet a year, leaving the wood brittle and falling to bits.

Last year cracks appeared in parts of the tomb and its four 40ft minarets are starting to tilt.

Agra MP Ramshankar Katheria, who is leading a campaign to save the treasure, said: 'If the crisis is not tackled, the Taj will cave in between two and five years.'

Professor Ram Nath, a world authority on the monument, said: 'The river is a constituent of its design and if it dies, the Taj cannot survive.'