

Question on Notice

The Hon. SCOTT BARRETT: Thank you for that very important clarification.

Mr JUSTIN FIELD: Could I ask one follow-up quickly, because I know we are going to lunch—

The CHAIR: We are over time.

PORTFOLIO COMMITTEE NO. 4 - CUSTOMER SERVICE AND NATURAL RESOURCES

Tuesday, 24 May 2022

Legislative Council - **UNCORRECTED**

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Mr JUSTIN FIELD: —but just on that last point, I think you were at the back during the Housing Industry Association's evidence and you might have heard that I asked that question about those hardwood products. The indication was that, yes, if it's accessible, such as in Victoria because we're doing it, they might find that a useful product, but where it is not accessible in Canberra—

WARWICK DRYSDALE: Well, it was—

Mr JUSTIN FIELD: —just go with an engineered product and it's probably cheaper. Obviously that resistance to forestry is focused almost exclusively on the native hardwood sector and there is not really any resistance to the softwood sector. I am just wondering if those alternatives are quite clear there and ultimately that is not as disruptive as some might make out.

WARWICK DRYSDALE: I think if we look at the use of hardwood in the frame and truss industry, it has certainly decreased over time. That is primarily based on availability, and they have sought alternatives and it is coming out of LVL. There's an LVL plant in Western Australia—I don't think that was actually mentioned in a previous submission. I think it produces something like 30 per cent of our needs—but I'm not sure. I'll have to take that on notice. But the hardwood is not available so we have gone to an imported—primarily by great percentage—an imported LVL. If the product was available back in Australia as a hardwood product, it would move back if the price and span scenario worked. If somebody wants their house built, I don't think they're really going to say, "Is that an imported, managed-forest LVL or is it a domestic managed-forest solid piece of timber?"

Response

LVL is produced in Western Australia by Wesbeam. Wesbeam is the only producer of LVL in Australia.

In relation to their percentage share of the Australian LVL market, they advise it is circa 20%. I am unable to provide any more further detail as supply and demand varies over time and Wesbeam are reluctant to fully quantify their exact market position.

Warwick Drysdale
3 June 2022