

Welcome to the third issue of the Network for Women in Forestry (NWIF) newsletter. If you would like to subscribe to receive the newsletter directly please email sonya@blackburnegroup.co.nz. **This newsletter is for you, Women in Forestry, and we welcome your feedback and suggestions for future content.**

Markets on a downturn

As we all know excessive stocks in China have resulted in significant price drops and associated decrease in volume. While other markets are holding up reasonably, none are big enough to absorb the surplus volumes.

Reasons for the current situation involve a combination of speculative buying by Chinese traders pushing up prices to unrealistic levels and increased supply in response to that, partially by NZ but more particularly by North America as the rising prices make the Chinese market more attractive to North American suppliers.

In a classic supply and demand sense volumes will start to balance out over time however, with stocks in China considerably exceeding normal levels, it is expected to take quite a few months for this to work through the system. Having talked to numerous exporters the common expectation is for demand/pricing to pick up towards the end of the first quarter next year. In the meantime you need to tighten your belt.

What can contractors do to get through?

Here are a few steps you can take to assist your position, including:

- Operate efficiently e.g. if held to quotas don't work over five days, try and achieve it in four or less and reduce the machine/man/travel costs.
- Get workers to use holiday pay entitlements, best to get that four weeks out of the way now.
- Try not to replace workers that leave.

- Park up gear that isn't required. There's always a temptation to use the equipment available. Workers can look busy doing nothing (it's more comfortable in a machine than using a chainsaw).

- Talk to financiers. They should understand the issues you go through and are, generally, sympathetic to sensible requests for reduced payments, especially if the gear is not being used fully.

- Look at your level of finance repayments. Are you making accelerated payments on gear to build up equity and could you reduce those?

- Review taxation commitments. Reduced turnover likely means reduced profit/tax, adjust your provisional tax accordingly.

- Likewise if struggling to meet ACC/IRD commitments talk to them upfront about an extended repayment program. Particularly with the IRD, penalties are reduced if arrangements are made before arrears arise.

- Act quickly. Anticipate the current situation dragging on for a number of months. Don't wait until you have run out of cash/options to start considering the above, get in early. By the time it's (really) hitting the fan it is generally too late.

All of the above affect contractors in various ways and with varying degrees of pain. Unfortunately there are no easy answers, all you can do is make plans to try and hold your operation together until the inevitable upturn arrives.

**Happy New Year from NWIF and
Inaugural Sponsor Total Lubricants!**



Subcontractors and OSH

A recent court case provides a useful reminder that the ultimate employer i.e. contractor can also be held accountable for accidents to those subcontractors working on a site under the contractors control. Many contractors have subcontractors e.g. contract fallers or machines working for them. In this particular case the prime contractor had fines and reparations totalling \$34,750, the subcontractor only \$15,000.

NWIF Regional Meetings 2012

Mark your diaries for the NWIF Regional Meetings in 2012. These have been designed to coincide with FICA Regional Meetings

Date	Location
23 February	Gisborne
29 March	Northland
26 April	Nelson
24 May	Ohope
26 July	Rotorua/Tokoroa
23 August	Gisborne
27 September	Nelson
18 October	Northland
22 November	Balclutha

Cable Logging Workshops

FICA are running 5 Cable Logging workshops throughout 2012. This is a chance to get your key hauler crew team leaders alongside other professionals in the business for a field-day of learning new tools and techniques for getting the most from your team on the hill. FICA acknowledges the support of Brightwater Engineering/MADILL to make this series possible. Contact Lisa Forrest on lisa.forrest@fica.org.nz or 07 921 1382 for more information.

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Meet the Committee

The NWIF committee is made up of 7 women from around the country. This week we profile Sonya Elmiger, Tracey Anderson and Rona Wheeldon. The next issue of the NWIF newsletter will profile Jill Mitchell, Wendy Mickleson, Glennys Mold and Kellie Hahn.

Sonya Elmiger

Sonya is a Chartered Accountant and Director at Blackburne Group in Taupo. Sonya is a “born and bred” Taupo girl from a forestry family. Having spent several years working for Mark Blackburne after completing her degree and achieving CA status, she embarked on an OE. Returning to Blackburne Group in 2006, Sonya became a partner in 2008. While Sonya loves her career as a chartered accountant she considers herself to be ‘more than just a beanie’.

Tracey Anderson

Tracey joins the Committee from Tokoroa. Working for AG & G Sinton for the past 13.5 years, Tracey is Alan’s Office Manager and right-hand lady dealing with the management of various day to day business and Health & Safety matters pertinent to a logging company. Tracey works with a great team of guys and girls and has met many interesting people over the years, and dealt with many challenging situations. No two days are ever the same for Tracey.

Rona Wheeldon

Rona is the youngest of the committee at 31 years old. She was born and raised in Tokoroa and now lives in Te Puke. Rona works for Olsen Forestry Management Ltd as the Systems Manager, which she has carried out for the last 12 ½ years. Rona’s role within the company is to provide for the ongoing development and management of business systems to ensure compliance, whilst also providing support to staff and key stakeholders of the business at all levels.