



Boral Members Update 2

September 2008



FIRST Super, your industry superannuation fund for the forest and forest products industries, will be assisting Walcha workers.

See back page article for further details

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BORAL ON THE RUN

The fight for Walcha continues

Community workers campaign puts multi-national company on the back foot

The CFMEU FFPD, on behalf of Walcha workers, met with Boral, Forests NSW, the Forestry Minister's Office and other NSW Government Departments on 29 August. The meeting was arranged by robust Local Independent MP, Richard Torbay.

Some progress was made, which gives us some hope of seeing the Walcha mill return to production.

The community blockade achieved the desired effect with Boral now being forced to readvertise for expressions of interest in the mill.

Boral have stated that they will consider any proposal, which could include a term lease with an option to purchase at the end of the lease, or an outright purchase of the Walcha mill.

A purchase proponent would need to meet qualification requirements set by Boral and Forests NSW for the transfer of the wood supply agreement and the Union in terms of industrial and employment related arrangements.

The Union is sceptical about the proposal, however it does meet the objectives which we have been demanding from the outset, which is for Boral to resume operations or get out of Walcha and sell the mill to someone who can take

advantage of a viable timber mill with a highly skilled, experienced and dedicated workforce and a great community spirit.

The Community Blockade was a combined effort of the Walcha community and the Council and the CFMEU. We agreed in good faith and with good will, to lift the community blockade.

The Council and Union relaxed the blockade about a week ago to allow logs to be landed at the mill as a result of local harvesting and haulage contractors making representations to the Council and the Union about the difficulties they were facing with stock piling logs.

The lifting of the blockade will result in Boral being given the green light to take finished product from the site and to take logs from the log yard.

This was probably the most difficult decision for the Council and the Union as we had maintained that logs landed at Walcha must stay at Walcha. However, again this illustrates the good will which the Union and Council have injected into the process.

It's the Union's understanding that some logs will be on sold to other saw millers and some logs will be sent to Boral's Herons Creek mill,

however we still have a standing resolution of our members at Herons Creek where they reserve the right not to process logs from Walcha.

The Union will be convening meetings of our members at Herons Creek early next week and it will be up to them as to whether they wish to relax that right.

The change in position of Boral is significant. The Union has had dealings with Boral on many issues over many years, they are a tough company to deal with and we can't ever recall Boral making such a significant back flip on any issue, so credit where credit is due. It's the first time the Union has witnessed them do something sensible.

The Union and Walcha Council's decision to lift the blockade and allow logs out of Walcha was a difficult decision to make and we hope that we made the right call.

The Union will work with Boral and assist where we can, but it's up to Boral to work with any interested proponents to provide an immediate and long term solution to sawmilling in Walcha.

We don't think they want to find out what will happen if they double cross us.



**CFMEU
organiser
Bluey Menon
says the
Walcha
community
has been very
supportive of
its mill
workers.**

"The community around here, I've got to say they've been fantastic. We've had petitions out around town and up here on site and the community really has rallied in behind us... very supportive," he said.

"You go into the shops and talk with people and everyone asks how you are going, so everyone up here has taken a great deal out of that - it means a lot."

ABC News
On Line



Walcha Log Yard

Boral seeks options to keep mill open

August 22, 2008

Boral Timbers say it will work with Walcha council in north-west New South Wales to keep the town's timber mill operational.

Boral Timbers decided to shut down its mill at Walcha near Tamworth earlier this month, citing a downturn in the industry and cost pressures.

A community blockade at the mill is in its second week, but yesterday Boral announced it would explore options to keep the Walcha plant operational.

Walcha Mayor Bill Heazlett has welcomed the decision, saying it is a great win for the community.

The company says it will advertise the lease of the mill in coming weeks, with applicants contracted to continue buying logs from Boral for processing at the sawmill.

The Member for the Northern Tablelands, Richard Torbay, says the Walcha community has worked hard to get Boral to reconsider the mill shutdown.

"There's no doubt that the community blockade and I think the Mayor ... leading the public good of his community, I think it's been a very welcome initiative by the community," he said.

"They're not out to cause trouble, they just want to see when a large company like Boral says, 'we do not believe the site is viable', they want to see that if someone else does believe it's viable."

ABC News On Line

Timber union disputes company's job claims

August 12, 2008

BORAL Timber is continuing to butt heads with the timber workers' union following Boral's decision to close plants in South Grafton and Walcha.

Boral management last week released a statement saying most of the 23 workers sacked at Walcha had already found work.

But this has been disputed by the Construction, Forestry, Mining and Energy Union (CFMEU), which yesterday dismissed the statement as 'public spin'.

CFMEU representative Craig Smith said only two of the workers had found work and another two were grudgingly considering early retirement. "The reality remains that the major employer in Walcha has gratuitously shut down," he said.

"While we congratulate the business community in Walcha for rallying around

and trying to help, Boral have devastated the town and that won't change until they reverse their decision."

In protest of the closure, union members at Boral's Herons Creek mill are refusing to process timber from forests surrounding Walcha and those at Koolkhan will today decide whether to follow suit.

But Boral executive manager Bryan Tisher said the company had kept the Walcha mill open as long as it could under present economic conditions.

"In 2005 when we acquired the business it was insolvent and since that time we have worked hard to turn the business around," he said.

"However, with escalating wood supply costs, which have been running well ahead of market price increases, combined with the impacts of the market downturn, production at the

plant is no longer sustainable." Mr Tisher said the company's primary concern had always been the welfare of its employees and work at its other mills had been offered where possible.

But North Coast union representative Arturo Menon said workers sacked from Boral's parquetry floor plant in South Grafton last month were still reeling from the closure.

He said only two of the 23 workers had found work within Boral, while about six had been employed by other timber mills or found work in another trade.

Mr Menon said the company had to understand that plant closures had a long-term effect on regional towns.

"These small towns no longer have 23 permanent jobs. In both Walcha and South Grafton these jobs have gone forever," he said.

The Daily Examiner Grafton

MP backs timber workers

August 13, 2008

BORAL needs to make clear what commitment it has to the communities in which it operates, according to the Federal Member for Page, Janelle Saffin.

Over the past six weeks Boral has announced the closure of plants in South Grafton and Walcha.

Ms Saffin said the Construction, Forestry, Mining and Energy Union (CFMEU) was understandably angry at the decision to close the mill and cut jobs, while still harvesting the local logs.

"I support the union's call for the company to be held accountable on this issue," she said.

"When the Regional Forestry Agreements were made, there was a reasonable expectation in the local community that along with the 20-year timber supply there would be jobs in the local area where the timber was sourced.

"I agree with Richard Torbay, the State MP for the Northern Tablelands, that it should not be an option for the company to mothball the Walcha mill while keeping the

government contract to extract logs from the local State Forest."

Ms Saffin said she was pleased to see the Mr Torbay had called an emergency meeting at State Parliament House for discussions on the Walcha mill closure.

Ms Saffin said the latest closures were disappointing and raised questions about whether Boral had any commitment to local workers and their communities.

The Daily Examiner Grafton

Meeting over sawmill closure

August 12, 2008

ANOTHER high-level meeting has been organised between representatives from Boral, the Construction, Forestry, Mining and Energy Union (CFMEU), government agencies and Walcha Shire Council over yesterday's official closure of Walcha's sawmill.

Member for Northern Tablelands Richard Torbay said he understood discussions with the State Government and Boral were continuing over the timber contracts which Boral acquired when it purchased the mill four years ago.

The meeting being organised followed on from a meeting organised by Mr Torbay immediately after the announcement that the Walcha mill would be downgraded to a transport facility.

The 23 workers finished up at the Walcha mill last Thursday but the site was due to officially close as a processing facility yesterday.

The mill site will now be used to hold and transport logs which have come from State forests in the Walcha region to a mill near Port Macquarie.

Unionist workers at Herons Creek have resolved not to accept logs which would otherwise be processed at Walcha, in protest at the facility's closure.

"The discussions so far have centred around what Boral intend to do with the site, (and) the wood agreement ... with Forests NSW, we want it to stay connected with the site," Mr Torbay said.

Mr Torbay said yesterday that a final date for the meeting had not been confirmed, but he expected it would be

held next week.

Unions, Mr Torbay and Walcha Council have been publicly critical of Boral for removing most of the jobs from the town's mill but not vacating the facility.

"The timber from Walcha should be attached to that site. If Boral are not interested in recommencing at the site we want to put the proposition of a lease or a sale," Mr Torbay said.

The earlier discussion between various parties had been described as blunt. The Leader has been told a downturn in the State's housing industry was to blame for the facility's closure.

The Northern Daily Leader Tamworth



Walcha Mayor Bill Heazlett and Member for Northern Tablelands Richard Torbay lead a blockade of Walcha's sawmill site.

Photo: The Northern Daily Leader Tamworth

FIRST SUPER helps out Walcha workers

FIRST Superannuation's financial planner, Peter Scott, will be visiting Walcha to assist workers on site on September 4, 2008.

"It's great that First Super will be here to help. It demonstrates that this is the fund that cares about putting workers first", said CFMEU organiser, Bluey Menon.

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Walcha's war

14 August 2008

WALCHA'S residents are in a fight to the finish to keep the town's timber industry alive.

Community members yesterday took the extraordinary step of blockading access to the Boral sawmill which, until recently, was a major employer at the town.

At least 23 full-time employees finished up last week after the company's decision to close the mill for "economic reasons".

The community is astounded by the company's "dog-in-the-manger" push to try to retain control of local timber resources for its own commercial advantage.

If this happens and Boral is allowed to ship Walcha district timber elsewhere to be logged, then there will be virtually no hope of restarting the mill – and reclaiming the lost jobs – under a new operator.

The principal function of the blockade is to prevent logs that are already at the Walcha mill site from being shipped and processed elsewhere.

A meeting between stakeholders, including Boral, the unions and the council, has been confirmed for Monday in Sydney.

Walcha mayor Bill Heazlett said the blockade had come out of "community concern".

"They're understanding we can't stand around doing nothing," he said.

Member for Northern Tablelands Richard Torbay said the closure of

the mill left a door open for anti-competitive practices in other regional towns.

Those talks will largely centre on Boral's contract with state body Forests NSW, under which it sources timber from the State forests around Walcha.

Mr Torbay said the company should not be allowed to keep the timber contracts it acquired along with the mill while removing timber jobs from the town.

They were "not going to stand by and cop it", Mr Torbay said.

The company told workers late last month the facility would no longer be used to process logs but would become a transport point for logs harvested locally.

Mr Torbay and Cr Heazlett said they had managed to get their point across clearly during a meeting with Boral officials in Sydney organised immediately after the closure.

A Boral spokeswoman said the company had no further comment to make.

Company representatives had previously claimed the closure was due to a downturn in the construction industry and high commodity prices.

The company, through executive general manager Bryan Tisher, said there was little choice but to close the facility.

Unionised timber employees at Boral's Heron Creek mill have already resolved not to process logs that could otherwise have been

processed at Walcha.

Someone would remain on site outside the Walcha mill at all times, Cr Heazlett said.

He said council did not receive rates money from the state forests from which the timber was sourced.

The decision to close the mill means there will be no local community benefit, in the form of employment and economic opportunities, from a major local resource.

"We've always seen the jobs as being a part of that," Cr Heazlett said.

Council roadworks, which were arranged before the blockade, have rendered a mill side-entrance unuseable.

The main entrance is being blockaded for the foreseeable future.

Walcha councillor Lloyd Levingston said he believed Walcha was able to support a viable timber mill.

Fellow councillor Peter Blomfield said he was worried over the loss of jobs in Walcha.

Cr Heazlett said the closure had come after a decade of growth for Walcha.

Northern Daily Leader Tamworth

