

# MWMJC ANNUAL REPORT (SEPTEMBER 2020 – MAY 2021)

## MEMBERSHIP DEVELOPMENT COMMITTEE

HY Chan, Allan Tan, Chris Lim, and Kent Chang

### Annual Members Report From June 2020 – May 2021

Month	New Members	Terminated	Total	Target 31/08/21
			b/f 656	
June 2020	2	-1	657	
July 202	12	-8	661	
Aug 2020	2	-1	662	
Sept 2020	12	0	674	
Oct 2020	6	-8	672	
Nov 2020	5	-1	676	
Dec 2020	3	0	679	
Jan 2021	5	-3	681	
Feb 2021	2	-1	682	
Mar 2021	8	-2	688	
Apr 2021	7	0	695	
May 2021	6	0	701	800
TOTAL:	70	-25		

## ITimber

MTIB at a briefing held on 25 May 2021, informed the industry that they will implement a new system: ITimber to replace the current MTIB Core System (MCS), in line with current needs and developments. To improve delivery services through online and end-to-end. If a renewal is done after the membership expires, you do not need a new registration number and there will not be any penalty fee incurred. CESS payment will be deducted from the Tpay export account following the original CESS rate. RM50 will be imposed for Service Charge only. The Term 'License' will be replaced with 'PERMIT' for export and import consignment documents. The details of the Webinar have been forwarded to members on the WhatsApp chatgroup.

## FINANCIAL INVESTMENT COMMITTEE

Simon Lim, BK Ng, Yen Chin, SK Tham and Jerry Tan

This Committee has been entrusted to invest the Council's allocated fund of RM150,000 to blue chip (low risk) shares. We have this Committee and a remisier monitoring it very closely. As at 31 May 2021, we have invested RM107.5K and the dividend has been very good compared to the Fixed Deposit dividends we were receiving.

# **MWMJC ANNUAL REPORT (SEPTEMBER 2020 – MAY 2021)**

## **MACHINERY COMMITTEE**

TH Ong, YK Chong, Gallen Yap, Sunny Wee and Ken Tan

### **1.0 The machinery committee undertook the following activities:**

#### **1.1 Solar Panels**

A Zoom meeting was organised by this committee in April 2021 for MWMJC members who may be interested to install solar panels in their factories. We invited 2 vendors to present their offers and answer questions forwarded by those members who needed more information on the solar panels. The 2 vendor's contacts have been broadcasted to all interested.

#### **1.2 Scissor-lift /Handling machines**

The committee has obtained the final pricing CnF Port Klang for the scissor-lifts. These lifts will be imported from China. We are in the process to bunch up all those who plan to import this handling equipment so that we can bulk purchase on behalf of members. Our Chairman, Mr George Yap has also just informed that this equipment has received MTC's approval for assistance for each purchase.

#### **1.3 Automatic Stacking Machine**

Mr Chong is still in negotiations with the local vendor for this machine. Further details will be provided when they become available.

## **LABOUR / HUMAN RESOURCE**

TH Ong, YK Chong, Gallen Yap & Ken Tan

### **1.0 The main issue faced by our industry was the new requirement by MOHR for workers quarters to have a "Certificate of Accommodation". The committee noted that there were no specific guidelines provided by MOHR with regards to the proper construction and site of this "Foreign Workers Living Quarters" (whether it can be sited within a factory's compound).**

It so happened to be quite timely that MTC having heeded the timber Industry's plight on this issue and has organised a Zoom meeting for interested stakeholders for 28 May 2021.

This committee has presented a letter / memorandum to MTC to have this matter discussed during the meeting on 28 May 2021. The same memorandum also highlighted the problem faced by industry members regarding the current ruling of a quota of foreign workers to local workers to be allowed in any factory. We have pleaded for the authorities to do away completely with this quota citing the difficulties encountered by employers.

## **MWMJC ANNUAL REPORT (SEPTEMBER 2020 – MAY 2021)**

### **RAW MATERIAL COMMITTEE**

Allan Tan, LY Tan, Gallen Yap, SK Tham, Yang, Phoebe, & Kuppusamy

The shortage of logs in the industry and the price has increased tremendously. This was due to different factors, such as the flood in various states and pandemic. The loggers were mostly completing their existing orders. Most of the loggers were working only four days a week and some eventually shut down their business. The production was not even covering 60% of the overall requirement. In Terengganu, the forest has not opened the annual coupe. 2020 was not a good year for the loggers.

The log production in Sarawak has reduced by 60%, mainly due to forest certification undertaken by licensee. The export of plywood and sawn timber were not doing well and foresaw the orders not picking up for the 4<sup>th</sup> quarter of 2020. Production from the natural forests in Sarawak has dropped significantly. Sarawak mills were importing raw material to overcome the shortage.

In 2021 before Chinese New Year, the weather was exceptionally good and there were lots of production. However, after the festival, most of the factories were not running. The Forestry Department was giving a lot of problem to the loggers. There was no decrease in price on the log or timber. But on the processing side, a lot of factories were facing shortage of labour. They had 50% local and 50% Indonesian plus other foreigners working. The plantation sector was also badly hit due to the lack of foreign workers in view of the freeze of recruitment of foreign workers by the government. With the prevalent shortage of sawyers in the sawmilling sector, there was price war amongst the sawmillers to pinch sawyers to work with them.

In April 2021, the production was still low and as for the logging side, the procedure was very strict. The loggers were following the procedures very firmly. The raw material price was still increasing, and it did not decrease until end of May. Due to the fasting month and pandemic, there were still shortage of sawyers, and it has gone down by 30%. The approval of the new concession is extremely low which led to the shortage of supply. In relation to the tropical timber, there are going to be rough situation coming up as the Government is coming up with new requirements.

Our Chairman, George has volunteered to be in the MTIB Forest Plantation Agency where MWMJC will support on the downstream usage of the raw material. Such as: rubber wood, pollunia, eucalyptus, etc. There will be demand for it, as for the past 12-18 months the shortage of soft wood was very severe due to the housing market and the pine beetles from Canada and Europe.

## **MWMJC ANNUAL REPORT (SEPTEMBER 2020 – MAY 2021)**

### **MARKET DEVELOPMENT COMMITTEE**

BK Ng, LY Tan, SK Tham, Allan Tan, KF Yang, Gallen Yap, Phoebe, Kuppusamy

#### In-Bound Fumigation Issue

Several meetings have been held on this issue with the Department of Agriculture (DOA), MPIC, MTIB, MTC, MAQIS, PEMUDAH, representatives from the Australian High Commission and even our local fumigators.

It is advised by importers that certain chemical is not available in many countries, or it is expensive there. It would be cheaper if the fumigation is done in Malaysia. Director General of MTIB stated that it will be a lost to us if we do not do something about it. He has brought this up to the MITI, MAQIS and MPIC.

The Australian representatives stated that it can be done safely. Bilateral scheme can be done to train fumigators and show them how to go about it. Most of these procedures are done offshore. The Australian representatives were supportive of Malaysia setting up an Inbound Fumigation Centre. We just need to find a gazetted area for this purpose.

Local fumigators have assured that it is almost 0% risk of insects escaping from the container, as they used flagsticks or canvas to cover the container during the fumigation process. A meeting between the DOA senior officers and the local fumigators were arranged. The fumigators demonstrated to the directors of DOA on the fumigation process. DOA then agreed to look into working on the 1<sup>st</sup> Trial shipment from Canada (an exceptionally low risk) timber, within 3 months. However, it was again turned down.

Australian (AQIS) is very stringent on policies on security matters and yet they can allow inbound fumigation on a gazetted land offshore. Since, we have the capabilities then with strict enforcement, and transparent in the compliance then DOA should at least allow to try this out at our Port.

The associations (MWMJC & TEAM) have urged DOA to be more flexible on the rules otherwise it would affect the timber industry business and Malaysia will lose out to the neighbouring countries such as Indonesia, Thailand or Vietnam who are less stringent on this matter.

Subsequently, MTC CEO has also organised meetings with the DOA DG and the directors. Initially, it seems quite positive but still to no avail. He is now organising another meeting between the MPIC KSU and MOA KSU. Hopefully, this will come to fruition as this will indeed benefit the timber industry tremendously.

## **MWMJC ANNUAL REPORT (SEPTEMBER 2020 – MAY 2021)**

### Visual Scanner Project

This project was mooted by the problems faced by various moulding industry. It is understood that many men are colour blind. They cannot differentiate shades of colour and our Malaysian timber has many different colour tone, shades and shapes. Hence, the project was initiated to develop a View Inspection System (Automated Visual Inspection). Automated for colour, size, and defect inspection. It is to ease the production side for separating veneer and timbers automatically, to lessen manual workforce. MWMJC is working very closely with SIRIM on this project with volunteers' assistance from the University of Malaya and University of Tuanku Abdul Rahman.

This project was approved by MTIB Levy Fund Committee on 29 June 2020 and MPIC Secretary General of MPIC on 28 September 2020. We received the official approval in March 2021. The Committee between MTIB, MWMJC, SIRIM, and all concerned has been set up to kick off this project. MoU between MTIB and SIRIM has been signed in May and the project should commence in June 2021. MWMJC and SIRIM will sign another set of MoU on all the terms and conditions.

# **MWMJC ANNUAL REPORT (SEPTEMBER 2020 – MAY 2021)**

## **ICT & MULTI-MEDIA**

- 1) The Committee consists of: Nelson Ng, Celeste Kam and Jerry Tan
- 2) The Committee has set up, and are maintaining & updating information on the following social platforms:
  - Facebook - <https://www.facebook.com/mwmjc.my>
  - Instagram - <https://www.instagram.com/mwmjc/?hl=en>
  - YouTube Channel - <https://www.youtube.com/channel/UCVtgmznGnq32GHhEloexsLQ>
  - LinkedIn - <https://www.linkedin.com/company/73415666/>
  - Website - <https://www.mwmjc.my>
  - WhatsApp - Group A & B
- 3) Redesign and build the new Logo. To create the Business Identity (uniform, t-shirt, letterhead, envelope, banners, greeting cards design for different festivals / events).
- 4) Every Friday, Apple forwards the Weekly News Update to members via all our social media platforms.
- 5) Produce YouTube short films:
  - MWMJC Members Testimonial  
<https://www.youtube.com/watch?v=B70gDenX2g8>
  - Import & Export Statistics Manual  
<https://www.youtube.com/watch?v=0dbHZ9MqeTw>
  - Balau T&G Flooring Natural Characteristic & Application  
<https://www.youtube.com/watch?v=ZEgfYt15xNk>
  - Christmas & New Year Greetings  
<https://www.youtube.com/watch?v=wYEDKQOMttE&t=43s>
  - Website Membership Directory Manual  
<https://www.youtube.com/watch?v=axKyxgubgs&t=11s>

# **MWMJC ANNUAL REPORT (SEPTEMBER 2020 – MAY 2021)**

## **EVENT COMMITTEE**

KF Yang, Alice Tee, Chris Lim, Gallen Yap, Kent Chang, Mr WH Soo & Annie Lim

### **1.0 The following activities were undertaken:**

- 1.1 3 virtual meetings in October 2020 to discuss on the Annual Dinner to be held in Johor. The accommodation, restaurant, and transportation were confirmed. However, due to CMCO the event was brought forward to 2021.
- 1.2 Organised an engagement with members via Zoom every Thursday at 4:00pm (virtual happy hour). It was later changed to every fortnightly. The Happy Hour Session had been terrific with quite good response from members. We invited guest speakers from WISDEC and FRIM to share information that would benefit the members. We also had fellow members to share their experience with the participants.
- 1.3 A virtual Celebration of MWMJC 40<sup>th</sup> Anniversary on 22 February was held with more than 90 participants. A power-point presentation was broadcasted at the opening of the event. The main highlight of the event was the history of MWMJC shared by two founding members, Mr. TH Ong & Mr. WH Soo. Followed by the presentation by MTC representatives on its' incentive programmes. The other highlight of the event was a soft launch of MWMJC New Logo by the Chairman. The Event Team also organised a quiz session with the members. We had 16 winners with correct answers.
- 1.4 The official celebration of the 40<sup>th</sup> Anniversary was proposed to be held on 8<sup>th</sup> October 2021 with two proposed venues: Istana Hotel and KLCC Petroleum Club. The Team later finalised the venue at the Istana Hotel by paying a deposit in end April 2021.
- 1.5 40<sup>th</sup> Annual General Meeting – 18<sup>th</sup> June 2021 was planned to be held at the Foyer of Menara PGRM. However, again due to the pandemic this event has to be held virtually via Zoom.
- 1.6 Other Proposed Programme for 2021 are:
  - Visit to a PEFC Forest – date to be advised.
  - Members' Mission Trip to Terengganu or Johor – proposed dates 3 - 5 September 2021. As we are unable to travel abroad, MWMJC planned a trip to a local destination.
  - ARCHIDEX, 3 – 6 November 2021. MWMJC has reserved and paid for six (6) Booths with MTC for this exhibition. The Committee met with the designer, Jun Ong on 10 May to have a preliminary discussion on the design and construction of the pavilion. We will be collaborating with MTC to build this pavilion and will engage a few industry players for the construction of this pavilion. Quotations will be obtained from professional videographers, to film a short video clips on our association to be featured during the exhibition.

# **MWMJC ANNUAL REPORT (SEPTEMBER 2020 – MAY 2021)**

## **PR & COMMUNICATIONS COMMITTEE**

Tham Sing Khow, Jerry Tan, Alice Tee and Natalie Shak

### **1.0 The following activities were undertaken:**

- 1.1 Meeting with the MTC CEO & COO, Corporate Communications team on 4 January 2021. Discussed the proposed MWMJC Anniversary Coffee Table Book. MTC agreed to provide a grant of RM30,000 and technical / editorial support for the Book project. MTC also agreed to assist & support us in organizing other programmes such as virtual meetings with overseas counterparts, local media programme, corporate video, and future workshop on moulding & joinery sector.
- 1.2 Conceptualized and facilitated the Online Celebration Event to mark MWMJC's 40<sup>th</sup> Anniversary on 21<sup>st</sup> February 2021. The event was attended by over 90 members of MWMJC.
- 1.3 A Zoom Meeting between MWMJC & FEDUSTRIA were held on 8<sup>th</sup> March 2021. The meeting agreed to sign a MOU between the two associations to further strengthen collaboration. The final draft has been sent to FEDUSTRIA for their signature and an online signing ceremony will be held in the near future.
- 1.4 A virtual Round Table meeting between Dutch architects, project developers, construction companies & timber importers and the Malaysian timber associations including MWMJC were organized by MTC on April 1<sup>st</sup> 2021, in-conjunction with Building Holland trade fair. MWMJC presented on "Legal and Sustainable Sourcing Opportunity for Timber Materials from Malaysia".
- 1.5 Future zoom meetings with timber associations of other European countries like France, UK, Spain, Germany, and etc. are being planned with the assistance of MTC Rotterdam.
- 1.6 MTC Director Khairul Anwar will assist to organise similar zoom meetings with timber importers in India, Sri Lanka, Dubai, and other Middle East countries.
- 1.7 Anniversary Coffee Table Book

Physical & Virtual Interviews commenced on 22nd March 2021 by the writer, Ms. Delani Philips. A total of 28 persons have been interviewed. The interview session has been completed and the writer is currently finalizing the first draft of the book. The first draft will then go through the Editorial Board comprising of SK Tham, Yen Chin, TH Ong and Andrew (MTC). The design work by Menn Studio has also commenced in May 2021.



# **MWMJC ANNUAL REPORT (SEPTEMBER 2020 – MAY 2021)**

## **Department of Environment (DOE) Committee**

Reported by Yen Chin

- 1.0 Not long ago, many industry members were concerned with the Clean Air Regulations 2014 in which DOE officers visited factories asking for a large amount of information, specifically on air-pollution. Many were told that cyclones would not be accepted as compliant and that it was suggested to install dust bag systems or closed systems. Before Covid-19, MTC together with MWMJC held a couple of seminars at the PGRM Foyer regarding the new requirements, which took effect on July 2019.

On our last update, the enforcement was postponed for 6 months till end of 2019. Since then, we have not heard any further news or updates from industry members or the DOE since Covid-19 started to grab our attention and impacted our everyday way of life. But please keep in mind the Covid-19 pandemic situation does not mean the regulations are held off indefinitely.

- 2.0 Besides the Clean Air Regulations, DOE is also now visiting industry members to examine compliance on scheduled wastes. Such wastes include adhesives for finger-jointing and lamination, paints and coatings, timber preservatives, forklift engine oil, etc.

The wastes need to be identified and placed on the schedule and removed by a certified waste management company. The wastes also need to be stored properly and safely until such removal.

DOE recently issued a new guideline in April 2021

[https://enviro2.doe.gov.my/ekmc/wp-content/uploads/2021/04/EIA-Guidelines-for-Waste-Treatment-and-Disposal\\_Scheduled-Waste.pdf](https://enviro2.doe.gov.my/ekmc/wp-content/uploads/2021/04/EIA-Guidelines-for-Waste-Treatment-and-Disposal_Scheduled-Waste.pdf)

EIA Guidelines Waste Treatment and Disposal Projects – Scheduled Waste  
It is highly recommended that industry members are made familiar with the schedule waste guidelines.

<https://enviro2.doe.gov.my/ekmc/digital-content/eia-guidelines-waste-treatment-and-disposal-projects-scheduled-waste/>

## **MWMJC ANNUAL REPORT (SEPTEMBER 2020 – MAY 2021)**

### **Department of Occupational Safety & Health (DOSH) Committee**

Reported by Yen Chin

- 1.0 Most of the industry members are familiar with DOSH. Most companies with more than 100 employees would need to employ a Health & Safety Officer (HSO) and are aware of the DOSH requirements either by their HSO or by the annual visits from the Machinery Department Officers, who keeps a logbook on the issues raised.

What many may not be aware is that how this is related to foreign worker hostels. As we know, there is the Workers Minimum Standards of Housing and Amenities Act 466 and many hostels located inside the factory / industrial site will have difficulty to comply.

To make matters worse, those hostels annexed to the factory / mill will also fall under DOSH. This means the DOSH officer can inspect and raise corrective action reports on non-compliance of hostels.

- 2.0 Secondly, Dengue is also a concern for DOSH. Officers in checking compliance with Covid-19 guidelines are also inspecting for Aedes larvae sites. Members are reminded to regularly inspect and maintain their sites in a clean and tidy manner and to avoid any retention or ponding of water that can attract the officer's attention. Below is the information link:  
<https://www.dosh.gov.my/index.php/osh-info-2/occupational-health/1547-dengue>