

The Institute of Foresters of Australia

ABN 48 083 197 586

www.forestry.org.au

ifa@forestry.org.au



Mr Mark Warner
Standing Committee on Environment and Public Affairs
GPO Box A11
PERTH WA 6837

Dear Mark

SUBMISSION BY WA DIVISION OF IFA TO INQUIRY INTO THE SANDALWOOD INDUSTRY IN WESTERN AUSTRALIA

The Institute of Foresters of Australia (IFA) is the body that represents professional forest managers in Australia. The Western Australian Division has over 130 members with many years of experience in the management of forests and the timber industry in this State. Several members of the IFA in WA have considerable and particular experience in all aspects of the sandalwood industry.

The IFA is aware of Petition Number 152 and the inquiry currently being conducted into the regulation and management of wild sandalwood harvesting and sales, and the environmental sustainability of harvesting of wild sandalwood.

The IFA would like the Standing Committee to consider the following points and recommendations:

1. Regulation and management of the wild sandalwood harvest

Notwithstanding some perceived issues in management of the wild sandalwood harvest, the IFA supports the current role and responsibilities of the Forest Products Commission (FPC) and the Department of Environment and Conservation (DEC) with respect to sandalwood management, although separation of those responsibilities into the two agencies in 2001 was, in the IFA's view, a retrograde step introduced for purely political reasons at the time. It should be obvious to most that regulation and management of an industry that covers a vast area of the State would be more efficiently managed by one Government entity rather than two, especially given that the qualifications, backgrounds, training and experience of staff from the two agencies, with respect to sandalwood management, are, or at least were, fundamentally the same. Alternatively, FPC officers could be authorized to act as CALM (Conservation and Land Management) officers for the purposes of regulating the Sandalwood Act.

The FPC is responsible for allocating sandalwood harvesting and haulage contracts, and managing the contractors involved. That includes a responsibility for safety aspects, as well as ensuring maximum utilization of every sandalwood tree felled or pulled. The IFA believes the FPC and its sandalwood contractors deserve recognition for their efforts in recent years in developing improvements in the safety and technical aspects of sandalwood harvesting, including use of much improved techniques for removing bark

National office
PO Box 7002
Yarralumla
ACT 2600

ph 02 6281 3992
fax 02 6281 4693

from the wood and introduction of sound occupational and health systems for crews working in remote locations. Improvements introduced resulted in the FPC being recently nominated as a finalist in the WA WorkSafe industry safety awards.

It should also be noted that foresters at FPC have been instrumental in developing “whole tree” sandalwood harvesting. This has resulted in virtually the entire mass of wood from every tree extracted being utilized, from twigs at the top to roots at the bottom. Full utilization of sandalwood must be encouraged. Those who are less concerned about conserving and managing the resource would be more inclined to simply take the high value portions of each tree and leave the remainder.

The IFA is aware that some pastoralists may have a belief or claim that any sandalwood occurring on their lease should be made available to them to harvest as a priority, rather than being allocated to specialist sandalwood harvesting contractors. The IFA would urge the Standing Committee to be very wary of such claims. As alluded to above, sandalwood harvesting requires skills, experience and commitment. Contractors selected by the FPC must abide by an extensive set of safety and technical guidelines. FPC also uses specialist contractors to carry out important sandalwood regeneration work. With due respect to pastoralists, the IFA would recommend caution before allocating any sandalwood harvesting or regeneration work to pastoralists unless they can demonstrate their ability to conduct operations to required standards.

The IFA is also aware of the occurrence of some illegal harvesting of sandalwood. Given the vast areas of the State upon which wild sandalwood grows, this can be difficult to control. Initially, control of theft relies on diligence of and cooperation between staff of the DEC and FPC, FPC’s sandalwood harvesting contractors, pastoralists, local Government authorities, police and mining companies. Because greater revenues can be earned by selling sandalwood overseas, cooperation between Government agencies “at the waterfront” is important, as is the fact that the State government retains full control over sales of all State owned sandalwood. With the imminent availability of sandalwood grown on private plantations, most of which will be of low/immature quality, it will be even more important for government authorities to be diligent in monitoring the export of sandalwood from WA ports. The mixing of a small proportion of illegally obtained mature wild sandalwood with larger quantities of low quality young plantation grown material would be an incentive to an unscrupulous sandalwood seller seeking maximum returns from an overseas market.

2. Regulation and management of the sales of wild sandalwood

Sale of wild sandalwood has, since introduction of Government regulations and the Sandalwood Act in the 1920s, been managed by Government agencies, currently the FPC. Traditionally, almost all sandalwood was sold into overseas markets for manufacture of incense. Despite those markets continuing to represent the best value-for-money return to the State, most of the more valuable, oil-rich sandalwood produced today is sold into the WA domestic market. The FPC, through its processing and marketing contractor (currently Wescorp Sandalwood Pty Ltd), manages the sale of lower grades of sandalwood into overseas export markets – still primarily for production of incense – by mixing the lower grade products with a small proportion of higher grade material. This strategy ensures that local manufacturers benefit from first use of the better quality sandalwood, at the same time enabling maximum utilisation of lower grade products into the lucrative export market.

The IFA is aware of pressures from some quarters to change this strategy, but would urge the Standing Committee to think very carefully before advocating any changes.

3. Environmental sustainability of the harvesting of wild sandalwood

It goes without saying that the IFA advocates the sustainable use of any renewable resource, including wild or non-plantation sandalwood. The IFA notes that the current annual harvest is within the annual limits set by the DEC, and that the FPC has developed techniques to utilize the whole of every tree extracted. The IFA is also aware that foresters with the FPC have developed silvicultural practices which will ensure more improved regeneration of sandalwood in pastoral areas. The FPC's "Operation Woylie" has provided valuable information in this regard and deserves ongoing support.

Regeneration of sandalwood can be severely compromised by less than satisfactory practices by pastoralists, exacerbated by poor seasonal growth of vegetation in drier than normal years. Grazing by feral animals, particularly goats, can be devastating to young sandalwood trees. The fact remains that sandalwood on our rangelands is under threat of a slow extinction. Human activity, as carried out by FPC and its contractors, particularly "Operation Woylie", is essential to ensure regeneration of the species.

The IFA advocates a holistic approach to management of rangelands. Any review of the sustainable harvest level of wild sandalwood would tend to be worthless without a review of the effects on dry land vegetation generally of grazing by cloven footed animals.

The IFA is prepared to expand on the points made in this submission and would welcome any opportunity to discuss them with your Committee.

Yours sincerely

John Clarke
Chair, WA Division of Institute of Foresters of Australia
2 Crosby Street, FLOREAT WA 6014
Ph 041992 3814

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