



3rd July 2012

Hon Brian Ellis MLC
Chairman
Standing Committee on Environment and Public Affairs
Parliament House
Perth WA 6000

Dear Mr Ellis

**RE: Petition Number 152
Request for Royal Commission into the Forest Products Commission**

The PGA understands that a petition has been presented to the Legislative Council of the Parliament of Western Australia by one of its members, Mr Keith Mader.

The PGA notes that Mr Mader collected 1936 signatures to support his petition in a remote and/or regional area. This compares favourably to other petitions before the Standing Committee, such as "Review of Laws Pertaining to Domestic Violence" and "Hydraulic Fracking for Unconventional Gas".

The PGA supports a call for an independent review of the management of the sandalwood industry on pastoral leases.

Anecdotal comments support Mr Mader's claims of mismanagement. Typically this mismanagement includes the use and damage of management assets such as roads, tracks and watering points, environmental damage caused by the formation of additional roads and tracks without any consideration for drainage and location, use of heavy machinery without regard to its impact and effects on the surrounding environment, the establishment of camps without regard to its impact and effects on the surrounding environment and collateral damage caused to other vegetation communities by the use of heavy machinery and vehicles used in the harvesting of sandalwood.

In short, a disregard for the management rights conferred upon pastoral lease holders under the terms of their lease and for which they are responsible to the land lord, in this case, the Crown.

The PGA notes that the sandalwood resource is administered in a convoluted way, in that on the ground administration is carried out by local officers from the state government Department of Environment and Conservation, but those commercial activities such as tenders and licensing are controlled by the Forests Products Commission, and ultimate responsibility is vested in the Minister for Agriculture and Food; Forestry; Corrective Services.

Such a division of accountability typically leads to problems of apportioning responsibilities between government agencies such that administration of the resource is not adequate, nor is it responsive to problem solving and the needs of those individuals on whose leases sandalwood occurs.

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The PGA points out that the Southern Rangelands Pastoral Advisory Group, in their review of the economic sustainability of pastoralism in the southern rangelands of Western Australia handed down in October 2009, in recommendation 5 suggested that the following action be taken;

5.3 Remove the Forest Products Commission monopoly on the harvesting and marketing of timber products (particularly sandalwood) to provide the opportunity for pastoral lessees, within existing environmental and regulatory constraints, to benefit from the opportunity to establish, harvest and market timber products.

This recommendation was in response to the erosion of the pastoral lease holders' financial position caused by livestock losses due to wild dog predation, the decline in the terms of trade for Merino wool production and the increasing cost of maintaining infrastructure caused by competition with the mining economy.

Even though the Southern Rangelands Pastoral Action Group was appointed by the Minister for Agriculture, Food and Forestry to provide strategic advice and make recommendations, this recommendation has not been actioned, despite the economic conditions in these areas remaining largely the same or declining.

The PGA looks forward to a review of the sandalwood tendering system that would allow pastoral lease holders in the Southern Rangelands to benefit from it.

Yours faithfully,



Rob Gillam
President

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