

### 2.3 COMMERCIAL AND MARKETING CONSIDERATIONS

The assumed market in Australia for forest harvesting machines in 1989 (excluding log trucks and chainsaws) was \$60 million, derived from the following:

Skidders	- \$7.3 million	source - North America
Forwarders	- \$7.5 million	" - mostly Swedish
Harvesters	- \$7.0 million	" - mostly Swedish
Feller bunchers	- \$5.0 million	" - Canada and New Zealand
Stroke delimiters	- \$2.5 million	" - Canada
Bulldozers, log loaders	- \$30.0 million	" - mixed

Unfortunately it is not possible to obtain accurate import statistics for this equipment because until the beginning of the present fiscal period forestry machinery, per se, was included under Tariff Item 8436.80.00 which also covered a wide range of agricultural and horticultural machinery. Henceforward, however, it will be easy to plot imports of logging machines, harvesters, feller bunchers etc as they are now entered under Tariff Item 8436.80.10 and enjoy duty free entry into this market. Equipment which is not interpreted as being tree harvesting and tree fellers could be assessed duty at the following rates:

From July 1, 1990	7 percent
From July 1, 1991	6 percent
From July 1, 1992	5 percent

Chainsaws are brought into Australia under Tariff Item 8467.81.00 where the following diminishing rates of duty apply:

From July 1, 1990	19 percent
From July 1, 1991	17 percent
From July 1, 1992	15 percent

A sales tax of 20 percent is levied at the wholesale/distributor level except in certain circumstances, e.g. sales to government departments.

There are no general standards or regulations affecting the operation of logging equipment in the Australian bush other than safety work practices such as minimum distance from a chainsaw operator as well as codes of practice concerning the falling of trees near streams etc. These latter are generally issued by the relevant State forestry department or, in some instances, by the company employing the fallers.