



**SURVEY ON  
LOCAL SALE AND CONSUMPTION OF SAWN TIMBER  
(KUCHING REGION)**

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## **EXECUTIVE SUMMARY**

Sarawak forest is all about 'GREEN GOLD'. Our socio-economic developments were obtained from forestry and the forest industry. Some of Sarawak first processing industries were timber-based industries. It is one of the initial efforts by state government to generate capital for socio-economic development.

Currently, the industries emphasize on sawn timber and plywood processing to keep a higher value products purposely to generate export earnings as well as create more employment opportunities. The development and in-going of technologies to the state affect the timber industries growth. Thus, the development progress of state also affected.

The effort of state government to establish a well manages forest industries in processing and timber trading achieve the accomplishment with an establishment of industrial zone in every division of this state.

Sawn timber is one of the popular timber products. It is produced from logs and hewn timber. To know better, a survey been conducted. This project paper will inform briefly the current situation of sawn timber industry in Kuching region.

The survey concern on sawmills who actively involve in trading and processing of sawn timber. 28 sawmills been identified and out of that number only 15 sawmills were replied to this survey.

## CHAPTER I

### INTRODUCTION

Forestry and timber industry contributes huge revenues to the economic development and social well being of Sarawak society. Sarawak, through their main body, **Sarawak Timber Industry Development Corporation (STIDC)** or *Perbadanan Kemajuan Perusahaan Kayu Sarawak (PUSAKA)* plays an important role in encouraging the utilization of timber resources effectively.

In year 2003, Sarawak generates revenue for RM6.13 billion from export of timber products and employed of workforce over 40,000 people.<sup>1</sup> ■ The figure shows that forestry and timber industry are the major contributors towards the Sarawak economy growth besides petroleum and palm oil industry. Timber industry contributes significant revenue to the State and provides ample job opportunities to Sarawakian.

Decade of years, timber industries in Sarawak has undergone tremendously. At present, 60% production of logs allocated for local consumption while another 40% of production allocated for foreign market. This policy has been successfully implemented and managed based on the growth of both production and export value added product.

Kuching is one of the main regions in Sarawak who develop our timber industries growth. Until December 2003, there were 55 sawmills in Kuching region

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<sup>1</sup> STIDC, (2002), *Annual Report 2002*, PUSAKA, Kuching: pg 11.

## CHAPTER II

### LITERATURE REVIEW

#### 2.1 INTRODUCTION

Sarawak timber industry had been developed tremendously in year 2003 even though faced unpredicted global market due to war in Iraq, SARS disease, illegal timber trading activities as well as new enforcement by other countries.<sup>2</sup> ■

According to Report on Border Crossing-Timber Trade, *sawn timber is cut by mean of circular or band saw cross section up to 400 sq. inches.*<sup>3</sup> ■

STIDC's Registration Section records stated that, until July there were about 64 sawmills around Kuching region who are registered involve in sawn timber industry. In the mean time some of them might have dormant status but in reality they are actively involve in sawn timber industry.

The progress and growth of sawn timber industry can be figure out from the previous annually statistic book. As can be seen in any annually statistic of timber and timber products Sarawak book, there is a tremendous increase on sale and production for exportation of sawn timber.

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<sup>2</sup> STIDC, (2002), *Annual Report 2002*, PUSAKA, Kuching: pg 3.

<sup>3</sup> STIDC, (2003), *Report On Border Crossing – Timber Trade*, PUSAKA: Kuching, pg. 2.