

Illegal Logging Prohibition Bill (Revised):

The Construction, Forestry, Mining and Energy Union of Australia, (CFMEU) welcomes the opportunity to make this brief submission. The CFMEU consists of three Divisions namely the Mining and Energy Division, Forestry and Furnishing Products Division and the Construction and General Division. We are the major union in these industries.

1. The CFMEU strongly supports the bill and commends its passing.

The Union has been a champion of the Government introducing a ban to restrict the importation and domestic processing of illegal timber and has been an active stakeholder in advocating for the government to take action. By way of background, the CFMEU has: submitted evidence to the Government's commissioned Centre of International Economics' *draft regulation impact statement*; submitted evidence to the Senate's *inquiry* into the draft exposure bill; participated in stakeholder forums; and had further consultations with the Department of Agriculture Fisheries and Forestry.

2. The CFMEU notes the formation of an Illegal Logging Stakeholder Working Group which will look at the regulations associated with this bill in addition to other elements of the policy.

The Union is an important stakeholder going forward and expects to be given the opportunity to continue to work with the Government on the development of the regulations related to this bill, in association and consultation with other industry and NGO stakeholders if deemed appropriate. The Union's stakeholder interest ranges across many elements of the bill including those in which it is proposed to be further formulated through regulation in consultation with key stakeholders, including those related to:

- The industry's due diligence requirements (industry= importers of timber and processors of domestic logs)
- Defining imported timber products for regulation
- Penalties
- The terms of reference of the monitoring and enforcement regime.

3. The CFMEU supports the bill and is committed to helping to form regulations which capitalise on the bill's intent as far as possible.

The CFMEU understands that the associated regulations to this legislation will affect the domestic forest and forest products industry and determine whether the legislation will result in the achievement of desirable social, economic and environmental outcomes from Sustainable Forest Management in Australia. The associated regulations will also have an effect on the ability of the bill's restriction on the importation of illegal timber, to reduce the activity. We reiterate that our support for this bill is thus subject to us being consulted in the formulation of these regulations and being satisfied with them.

4. To complement the CFMEU's consultation on the formulation of the regulations, the CFMEU would also like to increase its consultation with Government on the complementary policy mechanisms designed to prevent illegal logging the Government has committed to.

The CFMEU realises that although the bill is an important element of a preventive strategy of further illegal logging, if implemented in isolation of other policies, illegal logging is likely to continue in the exporting country. The CFMEU though notes that the bill is one of a number of mechanisms in the government's strategy to prevent illegal logging.

The combination of the mechanisms (import restriction and capacity building where appropriate) should have the policy goal to:

- Promote Sustainable Forest Management in exporting countries replacing illegal logging activity and/or environmentally damaging, socially inappropriate and/or economically unsustainable forestry or timber/ paper production.
- Providing a level playing field for the Australian timber and forest products industry.

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