

Timber recycles carbon



Timber Queensland Submission on the *Illegal Logging Prohibition Bill 2011*

Timber Queensland Limited
P O Box 2014
Fortitude Valley Qld 4006
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Background

Timber Queensland Limited (TQ) is the state industry body representing the interests of the full timber value chain; from forest growers, through timber processors, merchants, and importers, to fabricators, builders and associated building professionals.

Timber Queensland has long held an interest in ensuring that timber entering Australia is of legal origin. Our Imported Timber Policy Statement and Guideline outline TQ's views on the matter and our recommended practices for ensuring legality of imported timber within the current regulatory environment. These can be found in the 'Policy Statement' area of our website (www.timberqueensland.com.au).

The Issues

The Queensland and broader Australian timber industry have very strong governance systems in place to ensure both legality and sustainability. All major forest growers in Queensland have certification under the Australian Forestry Standard which demonstrates both legality and sustainability. Smaller growers, particularly private native forest growers, are controlled via state legislation which ensures compliance with regulatory codes of practice and the legal right to harvest. Legality is simply not an issue for domestic wood production.

The domestic wood products industry is already under significant pressure from competing products and from imports, and it is critical that any regulatory regime that is fundamentally about addressing legality issues associated with imported wood products does not generate a significant cost burden on the domestic sector. Unfortunately the regime proposed in the draft Bill will impose unnecessary costs on the wood products industry as a whole, and the domestic industry in particular.

The draft Bill seeks to introduce a whole new bureaucracy for the regulation of wood products, and have this funded by the industry. Not only that, the resources that will be allocated to the issue by the Government will be focussed on regulating the bureaucracy, and not on dealing with the issue of importing wood products derived from illegal harvesting.

Alternative Model

Timber Queensland largely agrees with the issues identified by the Australian Forest Products Association (AFPA) and the alternative regulatory regime proposed in their submission (see attachment). Under the AFPA proposal, industry would still need to put in place due diligence systems to ensure that imported wood products are only from legal sources, it would still be an offence to import illegally harvested wood products, it would still be an offence to import wood products without a due diligence system in place, and appropriate penalties would apply for breaches of these requirements.

However the AFPA proposal does not foresee a role for 'Timber Industry Certifiers' and the costs that they would impose on the industry. Instead, they recommend using existing regulatory and inspection services (e.g. customs and border security), and redirecting the Commonwealth investment required to manage the 'Timber Industry Certifiers' towards assessing compliance with the new requirements.

The AFPA proposal also recommends that the Commonwealth work with exporting countries to ensure that they have effective legality mechanisms and associated documentation to streamline the importation process. This is required irrespective of the regulatory regime introduced.

Timber Queensland supports this model as a more cost-effective and less bureaucratic approach that will help to maintain the viability of the timber industry here in Australia.

Specific Comments on the Bill

Section 4

Timber Queensland supports the application of the legislation to the first point of entry to the Australian market. This should ensure that the due diligence requirements apply to those parties that have the greatest control over the importation of illegal wood products, and limit the costs to other businesses along the value chain.

Timber Queensland also believes that consistent with the ALP Policy on the matter; that a declaration of the country of origin, species and legality should be made by the importer. This would help to provide data on timber imports and legality measures, identify the party that is taking responsibility for the legality of the timber, and would align Australian requirements with declarations required under EU and US laws.

Section 5

As noted in the Explanatory Memorandum, the definition of 'illegally logged' is pivotal to the prohibition. The proposed definition provides little guidance as to which laws are considered relevant to the legality of harvesting. Timber Queensland recommends consideration be given to better defining the scope of relevant laws, and we suggest the EU approach may be a useful model.

The term 'timber' has a well established meaning within the suite of wood products; generally referring to a building or joinery product that is solid wood. Timber Queensland believes that it is critical that the laws apply to all recognised wood products, including solid timber products, engineered wood products, wooden panel products, paper and cardboard, as well as the broad range of products manufactured from wood such as doors, furniture and toys. TQ recommends that the term 'wood products' be used in the legislation when referring to the broad range of products made of wood.

Sections 6-8

The offences identified in the Bill do not clearly define who would be deemed 'responsible' for importing timber in the event of an offence. Clarification of responsibility would help to simplify the task of compliance and reduce costs associated with the system.

Defence against prosecution

Implementation of any new legislation will not stop all illegal wood products from entering the Australian market; however the intention is to put in place suitable measures to significantly reduce the chance of importing illegal wood products. Although it would be expected that in the event of a prosecution that implementation of an appropriate due diligence system would provide a defence, this should be explicitly stated in the Act. There needs to be clear protection from prosecution for businesses that implement in good faith, recognised procedures to limit the importation of illegal wood products.

Conclusions

Timber Queensland supports action to address legality of imported wood products and welcomes recent progress on this matter. Unfortunately we believe that the approach proposed will be costly to the industry and there is an equally effective and less costly alternative that should be pursued. Timber Queensland would be happy to further assist the Committee as required.

For more information, contact:

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Attachment:

Australian Forest Products Association: Submission on the *Illegal Logging Prohibition Bill 2011*