

THE LAW

Illegal timber faces the axe

Legislation targets imports and domestic harvesting.

The importation and sale of illegally harvested timber, or products containing illegal timber, will be banned under legislation currently being considered by federal parliament.

Illegal timber harvesting costs the global economy US\$60 billion annually, impacting environmental sustainability and undercutting legal and regulated timber industries.

The Illegal Logging Prohibition Bill 2011 restricts the importation of illegal timber products through customs controls, and institutes monitoring at timber processing plants to ensure domestically sourced raw logs are legally harvested.

Individuals found guilty of importing or processing illegal timber will face up to five years in jail, while corporations would be liable for fines of up to \$275,000 per offence.

While the bill establishes the regulatory and enforcement framework for monitoring illegal timber, the regulations that define what constitutes illegally harvested timber will be contained in subordinate legislation still being developed.

Then Parliamentary Secretary for Agriculture, Fisheries and Forestry, Mike Kelly said it is important to get the framework in place so the

new rules are ready to be enforced once the regulations are finalised.

“The government recognises these are essential first steps towards a longer-term goal of Australia sourcing timber products from sustainably managed forests, wherever in the world they are,” Dr Kelly said.

The bill assists in bringing Australia in line with its international partners, with similar legislation enacted in the United States and Europe to combat illegal logging and reduce its impact in the Southeast Asia region.

A report from the Joint Foreign Affairs, Defence and Trade Committee supported the passage of the bill as a key tool in the ongoing fight against illegal logging.

“Illegal logging imposes an enormous financial, environmental and social cost worldwide,” Trade Sub-Committee chair Janelle Saffin (Page, NSW) said. “The World Bank estimates that illegal logging as a criminal activity generates approximately US\$10 to 15 billion annually worldwide.”

However opposition members of the committee produced a minority report calling for the bill to be delayed until subordinate legislation is finalised and further community consultation is undertaken on the bill’s impact.

“It is indisputable that as soon as it enters into law, the Illegal Logging Prohibition Bill will cause uncertainty in Australia’s timber trade because importers will not know what the precise impact of the legislation will be until the regulations are enacted,” the minority report states.

The Coalition members also said there is “considerable unease” among Australia’s key regional trading partners about a lack of consultation on the bill’s impact.

“The evidence presented to the Trade Sub-Committee also clearly shows that important regional trading partners believe this bill will harm their trading relationship with Australia and that there is legal uncertainty as to whether the bill is World Trade Organisation (WTO) compliant.”

Greens members of the committee also raised concerns about the consultation process, saying a more considered approach with more input from importer countries needs to be developed to ensure the regulations are effective and supported by all parties.

“Importers will not know what the precise impact of the legislation will be until the regulations are enacted”

“One of the persistent complaints from a variety of submitters to this and previous inquiries has been the lack of clarity and certainty in the current bill,” the Greens’ statement said. “In particular, the lack of clarity regarding the definition of illegal timber and the lack of clarity regarding due diligence requirements remains unresolved.”

But Dr Kelly told the House extensive consultation with the timber industry has already been done, and will continue to be done through an illegal logging working group made up of government and industry representatives.

“The government will continue to work closely with its illegal logging working group and state and

“These are essential first steps towards a longer-term goal of Australia sourcing timber products from sustainably managed forests”

THE LAW

CRIMECHOPPERS: *Illegal logging hits the economy and the environment*

THINKSTOCK



territory governments to develop the subordinate legislative instruments required," Dr Kelly said.

Illegal timber harvesting costs the global economy US \$60 billion annually

"The Illegal Logging Prohibition Bill 2011 delivers on the government's policy to restrict

the importation and sale of illegally logged timber in Australia.

"It will remove unfair competition posed by illegally logged timber for Australia's domestic timber producers and suppliers and establish an even economic playing field for the purchase and sale of legally logged timber products and provide assurance to consumers that products they purchase have been sourced in compliance with government legislation." •

AGRICULTURE

Wheat exports open up

Accreditation scheme to be abolished.

The Australian wheat export market will take the final steps to deregulation under legislative changes contained in the Wheat Export Marketing Amendment Bill 2012.

Wheat exporters are currently required to be accredited under a scheme overseen by Wheat Exports Australia, which replaced the old 'single desk' export model administered by the Australian Wheat Board prior to July 2008.

The amendment will phase out the requirements for accreditation, and the associated Wheat Export Charge that is applied to all wheat exports to fund the accreditation scheme.

Parliamentary Secretary for Agriculture, Fisheries and Forestry Sid Sidebottom said the accreditation scheme has served its purpose in supporting the transition from a single exporter model to a deregulated market.

"Abolishing the scheme will ensure that the benefits to industry provided by accreditation during the transition to deregulation are not undermined in the longer term by the direct and indirect costs of continuing with a scheme that has served its purpose," Mr Sidebottom said.

"These costs include the WEC and the administrative and regulatory burden of accreditation, as well as the negative impact of unnecessary regulation on efficiency and competition in the wheat industry over time."

However the Victorian Farmers Federation has voiced opposition to the bill, saying the WEC and Wheat Exports Australia should be maintained and used to fund and direct improvements to the industry.

"We believe that there is an opportunity with the WEA to control the WEC," VFF Grains Group president Andrew Weidemann said. •