



## Growing Australian Forestry

The Australian Government is growing our local forestry industry and taking steps to protect our domestic producers from being undercut by illegally-sourced timber.

### What's in this year's budget

The Australian Government is helping our forestry sector expand the nation's plantation estate and improve the tracking and tracing of illegally logged imports.

#### Growing Australian forestry industry

The 2022-23 Budget is committing \$90.6 million over five years to secure the future of Australian forestry. This includes:

- **\$86.2 million to support the establishment of new plantations.** This investment – the largest direct investment in plantation growth by an Australian Government in more than 30 years – will get more trees in the ground and help meet future demand for wood products. Delivered in partnership with state and territory governments, the program will offer matched grants (50/50) to foresters to fund the establishment costs of new plantations in partnership with participating states and territories. The program will help to achieve key goals of the National Forest Industry Plan.
- **\$4.4 million to tackle illegal logging imports.** At present, it is difficult to prove that timber is illegally logged or verify that importers have correctly identified their timber and its origins without testing or adequate information. This new measure will help strengthen our illegal logging laws by trialling technologies for identifying timber, building the capacity of domestic labs to undertake this analysis, and finding better ways of capturing the information needed for tracing.

### Why is this important

Australian forestry employs more than 73,000 people and contributes more than \$23 billion a year in economic turnover and 0.5% of Australia's gross domestic product.

Plantations make up 1.77 million hectares of Australia's forestry estate and are key to securing our domestic wood supply and sovereign capability in timber products. Australia is facing a sustained, long-term shortage of this critical resource, with global demand projected to quadruple by 2050.

We know that Australian foresters are world-class and undertake their operations sustainably and to the best environmental standards. Unfortunately, imports may not be as sustainably sourced as timber from well-managed local Australian plantations. That is why we are investing to grow more trees here and supply more of the Australian market with sustainable Australian timber.

It is also important to protect our domestic industry from being undercut by illegal imports. In 2010, it was estimated more than 10% of timber products entering the Australian market from overseas were illegally logged. Illegal logging is the largest global environmental crime by value and also causes wide-ranging social and economic harm.

Improving our tracking and tracing capability is crucial to ensuring that consumers can be confident of the origins of the timber they buy on the shelf. The investments we are making in this area will help prevent our domestic industry from being undercut by illegally sourced timber, keep overseas markets open for Australian timber products, and reassure consumers here that the timber they buy is legally harvested.

## How much will this cost

|   | 2022-23<br>\$m | 2023-24<br>\$m | 2024-25<br>\$m | 2025-26<br>\$m | TOTAL<br>\$m |
|---|----------------|----------------|----------------|----------------|--------------|
| <b>Growing Australian forestry</b>  |                |                |                |                |              |
| Establish new plantations *   | 10.2           | 25.2           | 30.2           | 20.3           | 86.2         |
| Strengthen illegal logging traceability and timber identification systems | 2.8            | 1.6            | 0.0            | 0.0            | 4.4          |
| <b>Subtotal</b>   | <b>13.0</b>    | <b>26.8</b>    | <b>30.2</b>    | <b>20.3</b>    | <b>90.6</b>  |

\* Total for this measure includes \$0.3m provided in 2021-22

## More information

For more information about our investment in forestry, visit [awe.gov.au/budget](http://awe.gov.au/budget)

For more information about the 2022-23 Budget, visit [budget.gov.au](http://budget.gov.au)

