

## Introduction

- 1.1 In 2013, the Productivity Commission released a report on Australia's development assessment and approval framework for major projects.<sup>1</sup> The report identified a number of areas requiring attention, including long approval time frames, duplicative processes, regulatory uncertainty and inadequate enforcement. The Commission advocated the establishment of a 'one project, one assessment, one decision' framework for environmental approvals, through bilateral assessment and approval agreements.
- 1.2 In this context, and in recognition of the potential productivity gains that could be made, the Committee sought to conduct an inquiry into streamlining environmental regulation, 'green tape', and one stop shops for environmental assessments and approvals. On 27 February 2014 the Committee adopted broad terms of reference, with a focus on arrangements both between and within jurisdictions, improving the efficiency and effectiveness of the regulatory framework, the balance between regulatory efficiency and environmental protection, and areas for potential deregulation.
- 1.3 In conducting the inquiry, the Committee was aware that the Australian Government was carrying out separate reviews as part of its deregulation agenda. The Committee was and continues to be of the view that the present inquiry, as a wide-ranging review of environmental regulation, would generate useful dialogues and gather valuable input from stakeholders, which could inform the Government's priorities in this area.

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1 Productivity Commission, *Major Project Development Assessment Processes – Research Report*, Canberra, November 2013.

## Conduct and scope of the inquiry

- 1.4 The inquiry was advertised on 27 February 2014. The Committee received 83 submissions and 13 supplementary submissions, and these are listed in Appendix A. The Committee also received 29 exhibits, which are listed in Appendix B. The Committee heard from a wide range of witnesses at public hearings in Sydney, Melbourne and Canberra. These are listed in Appendix C.
- 1.5 As noted above, the terms of reference for the inquiry were wide-ranging, enabling the inquiry to be responsive to stakeholders' feedback on the issues most in need of attention. Much of the evidence received throughout the inquiry focussed on the environmental assessment and approval processes under the *Environment Protection and Biodiversity Conservation Act 1999* (Cth) (EPBC Act). However, the Committee also heard about a number of other areas of environmental regulation in Australia, including jurisdictional arrangements, views relating to the current balance between environmental protection and regulatory efficiency, and the possibilities for deregulation and improvement of the environmental protection regime.
- 1.6 Reflecting the weight of the evidence received, this report has a strong focus on the EPBC Act and the way in which it is administered. Chapter 2 provides an overview of environmental laws at the Commonwealth level, with a focus on the EPBC Act. It discusses how this framework interacts with various environmental protection regimes in other jurisdictions.
- 1.7 Chapter 3 canvasses views relating to the effectiveness and efficiency of the current regulatory regime across and within jurisdictions. It discusses some of the benefits and some of the shortcomings that have been identified with the current system.
- 1.8 Chapter 4 examines the 'one stop shop' proposal for environmental assessments and approvals, which seeks to address some of the weaknesses of the current regulatory regime identified in the preceding chapter. The Committee received extensive evidence relating to the perceived benefits and shortcomings of the one stop shop proposal. These are canvassed in this chapter, and proposals for improvements are also considered.
- 1.9 The final chapter of this report considers suggestions intended to address shortcomings of the present environmental regulatory regime not expected to be resolved by the implementation of the one stop shop system. These proposals range from residual issues with the EPBC Act, other Commonwealth environmental legislation, matters of

administration and stakeholder relations, and other methods for achieving a more streamlined system of environmental protection.

- 1.10 Given the broad scope of the terms of reference and the nature of environmental regulation administered by nine different jurisdictions, many of the issues raised throughout the inquiry were inter-related. For example, consideration of possible areas for improved efficiency and effectiveness within the regulatory framework will necessarily involve a discussion about jurisdictional arrangements, including the one stop shop proposal. However, it may also necessitate a discussion of regulatory requirements, or the balance between regulatory efficiency and environmental benefits.
- 1.11 Readers will therefore find that each of the terms of reference of this inquiry are addressed across several chapters, and the terms of reference as a whole are covered over the course of this report.

### **A note on ‘green tape’**

- 1.12 Finally, the Committee notes that a number of witnesses have cautioned against the use of the term ‘green tape’, arguing that it is not a well-defined phrase or that it may be pejorative in its characterisation of environmental protection.
- 1.13 The Committee can assure inquiry participants that it takes these concerns very seriously. ‘Green tape’ does not refer to environmental regulation as a whole, or to laws requiring adequate and appropriate consideration of the environmental impacts of proposed projects. In the context of this inquiry, ‘green tape’ is taken to refer to excessive regulation or rigid conformity to rules, which delays decision-making or results in unnecessary administrative or other burdens on businesses and communities, *with no associated improvement* to the protection of the environment.
- 1.14 The intention of the present inquiry is not to water down environmental protections or to reduce regulation for its own sake. The driving force behind this inquiry has been the Committee’s desire to identify aspects of the current regulatory regime that are unwieldy, overly complex or which place unnecessary, onerous burdens on businesses and the community, but which do not deliver any associated improvements in environmental outcomes. This focus has informed the Committee’s approach to the conduct of the inquiry, and forms the basis for the remainder of this report.

