

## Assessment of the current system

- 3.1 Throughout this inquiry, the Committee received extensive evidence from a range of stakeholders discussing their experiences with environmental regulatory regimes within Australia. Some of that evidence related to the balance between regulatory efficiency and adequate environmental protections, and is discussed in Chapter 5. In the present chapter, the Committee presents evidence received on the benefits of the current system of environmental assessment and approvals, as well as a range of shortcomings identified by witnesses.

### Benefits of the current system

- 3.2 Almost all inquiry participants were supportive of the need to regulate behaviour that has an environmental impact. Benefits of the current system of environmental regulation, described in the previous chapter, were conveyed to the Committee and focussed on two key issues: the content of the *Environmental Protection and Biodiversity Conservation Act 1999* (Cth) (EPBC Act); and the role of the Commonwealth.
- 3.3 The Law Council of Australia (LCA) emphasised the significance of the current regulatory framework which has as its focus – at Commonwealth level at least – environmental protection and the principles of ecologically sustainable development. These principles are enshrined in the EPBC Act and have been ‘long developed at a national and international level’.<sup>1</sup>

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<sup>1</sup> Mr Greg McIntyre SC, Chair, Australian Environment and Planning Law Group, Legal Practice Section, LCA, *Committee Hansard*, 19 June 2014, p. 1.

- 3.4 The Environment Institute of Australia and New Zealand (EIANZ) supported this view of the benefits delivered by the EPBC Act:
- ... EPBC Act requirements have encouraged more robust evaluation and decision making about environmental consequences of projects in relation to matters of national environmental significance.<sup>2</sup>
- 3.5 Aside from the content of the Act, several stakeholders welcomed the involvement of the federal government in environmental regulation, as an adjunct to state and local government authorities. Mr Andrew Bradey, President of the Environmental Farmers Network (EFN), stated that a benefit of federal government oversight related to less potential for perceived conflicts of interest, and was:
- ... purely the issue of distance and the ability to see the issues more objectively and more consistently than possibly people who have to prosecute state regulations locally.
- ...
- It is very hard for the local councillor, who might be the president of the football club, to pull off a successful prosecution of someone who is allegedly doing illegal clearing if he happens to be the secretary of the football club. This is less likely to happen if the regulations are being run from distance than if they are being done up close.<sup>3</sup>
- 3.6 The Lock The Gate Alliance (LTGA) also raised the issue of conflicts of interests at state level, and therefore nominated the federal government as the most appropriate level of government to oversee environmental impact assessments.<sup>4</sup> The EFN also considered that the involvement of the federal government ensures some continuity within the environmental regulatory regime when there is a change of state government. Such continuity was considered particularly important in the area of environmental management, which often deals with long time frames.<sup>5</sup>
- 3.7 The Committee heard that the federal government was best placed to deliver effective environmental conservation, by virtue of its capacity to work 'towards goals which are long term, are over a large geographical

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2 Mr Jon Womersley, President, Environment Institute of Australia and New Zealand (EIANZ), *Committee Hansard*, 19 June 2014, p. 12.

3 Mr Andrew Bradey, President, Environmental Farmers Network (EFN), *Committee Hansard*, 2 May 2014, p. 23.

4 Ms Nell Schofield, Sydney Coordinator, Lock The Gate Alliance (LTGA), *Committee Hansard*, 1 May 2014, p. 32.

5 Mr Bradey, EFN, *Committee Hansard*, 2 May 2014, p. 23.

scale and have strong public support.’<sup>6</sup> The federal government was also described as being uniquely placed to deal with matters relating to water, given that watercourses transcend state borders.<sup>7</sup>

- 3.8 Some inquiry participants highlighted the importance of the federal government’s role in light of the perceived failures of particular state governments. For example, the Committee heard claims relating to ‘failures of the New South Wales planning system to ... involve traditional owners in the [environmental assessment] process.’<sup>8</sup>

## Shortcomings of the current system

- 3.9 The Committee received extensive evidence relating to the difficulties associated with the current system of environmental regulation. Broadly speaking, witnesses’ concerns can be summarised under three broad headings, which are canvassed in this section:

- inconsistency and ambiguity;
- duplication and unnecessary delays; and
- other sources of administrative inefficiency.

## Inconsistency and ambiguity

- 3.10 The Committee heard about the inconsistency and ambiguity of legislation and how it is applied. As the EIANZ notes:

The regulatory burden associated with compliance with both the EPBC Act and state and territory legislation has become so complex that environmental practitioners have great difficulty in understanding and applying the regulatory requirements.<sup>9</sup>

- 3.11 Not only is the complexity overwhelming for professionals within the system, the farming community has also experienced challenges relating to the lack of clarity about regulatory requirements. The EFN explained that the farming community is happy to comply with environmental regulations, as long as there is clarity and certainty about what the applicable regulations are. The EFN explained that the situation is

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6 Mr Bradey, EFN, *Committee Hansard*, 2 May 2014, p. 23.

7 Ms Schofield, LTGA, *Committee Hansard*, 1 May 2014, p. 35.

8 Mr Ross Mackay, Solicitor, Strategic Development, NTSCORP Limited, *Committee Hansard*, 1 May 2014, p. 26.

9 Mr Womersley, EIANZ, *Committee Hansard*, 19 June 2014, p. 12.

- complicated by the existence of myriad and different federal and state laws, which are also enforced by separate agencies.<sup>10</sup>
- 3.12 Several organisations called for more clarity and consistency within the system. For example, the National Farmers' Federation called for more guidance on what is considered a 'significant impact' in relation to environmental assessments.<sup>11</sup> The Association of Mining and Exploration Companies (AMEC) echoed this view, advocating for clearer guidance on 'significant impacts', and more consistency and clarity on strategies for mitigating and offsetting such impacts.<sup>12</sup>
- 3.13 Consistency within the offset process was raised by other stakeholders, who noted that, in some cases, offsets did not appear to be closely related to the project's environmental impact, or that there was little consistency in the prescription of offsets between jurisdictions or projects.<sup>13</sup> Mr Simon Bennison of AMEC also explained that, for some projects, the costs associated with the offset may not be proportionate to the impact.<sup>14</sup> Mr Bennison advocated for offset regimes that were consistently applied while being sensitive to the ecological context to which they refer.<sup>15</sup>
- 3.14 While accepting that local environmental factors would influence the application of the regulatory framework to an extent, Urban Taskforce Australia (UTA) called for a very consistent national approach to the regulatory framework. Mr Chris Johnson of UTA commented that his 'concern is that often the local circumstances get built up to the point that they dominate overly the more national approach ...'<sup>16</sup>
- 3.15 The Committee heard that the inconsistency and ambiguity of current legislation and administrative arrangements resulted in less certainty around the requirements of the system. This issue of certainty was raised repeatedly, as witnesses emphasised to the Committee its importance for regulated communities. For example, the Committee heard that for some

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10 Mr Bradey, EFN, *Committee Hansard*, 2 May 2014, p. 24.

11 Ms Jacqueline Knowles, Manager, Natural Resource Management, National Farmers' Federation, *Committee Hansard*, 20 June 2014, p. 21.

12 Mr Simon Bennison, Chief Executive Officer, Association of Mining and Exploration Companies (AMEC), *Committee Hansard*, 20 June 2014, p. 14.

13 Ms Melanie Stutsel, Director, Health, Safety, Environment and Community Policy, Minerals Council of Australia (MCA), *Committee Hansard*, 20 June 2014, p. 2; Mr Keld Knudsen, Director, Environment, Australian Petroleum Production and Exploration Association (APPEA), *Committee Hansard*, 20 June 2014, pp. 10-1; Mr Bennison, AMEC, *Committee Hansard*, 20 June 2014, p. 15.

14 Mr Bennison, AMEC, *Committee Hansard*, 20 June 2014, p. 15.

15 Mr Bennison, AMEC, *Committee Hansard*, 20 June 2014, p. 15.

16 Mr Chris Johnson, Chief Executive Officer, Urban Taskforce Australia (UTA), *Committee Hansard*, 1 May 2014, p. 25.

proponents in the mining sector, the need for certainty about time frames was more important than necessarily having the absolute shortest possible time frames.<sup>17</sup>

3.16 Similarly, the Air Conditioning and Refrigeration Equipment Manufacturers Association (AREMA) suggested that the absolute cost of complying with regulations was not as important as industry having long term certainty about how a policy might develop in future.<sup>18</sup>

3.17 The Minerals Council of Australia (MCA) highlighted that 'regulatory stability is a critical factor for industry confidence.'<sup>19</sup> Likewise, the Property Council of Australia (PCA) stated that certainty was the primary concern for the property development industry:

... there is nothing more important to the industry than certainty. The majority of the cost that gets passed on to the consumer in our space is around the time lost between when we enter a process and the multiple years we may go through before we have a final decision, and all those holding costs before we can start to build.<sup>20</sup>

## Duplication and unnecessary delays

3.18 The Committee received evidence from a range of stakeholders commenting on the costs, frustration and inefficiency associated with the duplication of requirements and processes within the current system of environmental regulation. Inquiry participants outlined the impacts of duplication and unnecessary delays, and provided some examples of from experiences with the current regulatory regime.

3.19 Many inquiry participants expressed concerns about the impact of duplicated assessment and approval processes at the federal and state/territory levels.<sup>21</sup> UTA commented that its members have found the current regulatory system a 'pretty frustrating process' as a result of the concurrent responsibilities of three separate levels of government (federal, state and, in some cases, local).<sup>22</sup>

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17 Mr Matthew Storey, Chief Executive Officer, Native Title Services Victoria, *Committee Hansard*, 2 May 2014, p. 22.

18 Air Conditioning and Refrigeration Equipment Manufacturers Association, *Submission 73*, p. 2.

19 MCA, *Submission 82*, p. 8.

20 Ms Caryn Kakas, Head, Government and External Affairs, Property Council of Australia (PCA), *Committee Hansard*, 1 May 2014, p. 9.

21 Mr Andrew Doig, Chief Executive Officer, Australian Sustainable Business Group (ASBG), *Committee Hansard*, 1 May 2014, pp. 1-2; Ms Kakas, PCA, *Committee Hansard*, 1 May 2014, p. 5; Ms Katy Dean, Manager, Advocacy, Green Building Council of Australia, *Committee Hansard*, 1 May 2014, p. 14; Mr Johnson, UTA, *Committee Hansard*, 1 May 2014, p. 21.

22 Mr Johnson, UTA, *Committee Hansard*, 1 May 2014, p. 21.

- 3.20 Several organisations commented that concurrent regulation across the federal and state systems causes significant delays which subsequently involve greater costs and uncertainty for projects.<sup>23</sup> For example, the Australian Sustainable Business Group noted:

The obvious issues of duplication really come down to particularly the planning side of things, the obvious ‘time is money’ – the longer it takes to get approval and the uncertainty associated with it, which impacts all the way up to the financing of specific projects – and whether more certainty can be provided in that process.<sup>24</sup>

- 3.21 AMEC submitted that delays associated with duplication had resulted in ‘a lot of our international competitiveness’ being lost.<sup>25</sup> The Australian Petroleum Production and Exploration Association (APPEA) endorsed this view and argued that rising development costs cast doubt over the oil and gas industry’s ability to expand in Australia:

How Australia regulates environmental performance not only influences the costs of our members’ ongoing operations but also affects the industry’s capacity to make future investments in Australian projects.<sup>26</sup>

- 3.22 The Committee heard that duplication and delays held real consequences not only for project proponents, but also for the broader community. Mr Bradley of APPEA cautioned:

Duplicative regulation has real consequences, and policies that undermine the development of energy projects or curtail energy production have very real costs to the Australian community in the form of foregone jobs, lost jobs and higher energy bills.<sup>27</sup>

- 3.23 Mr Bradley also expressed the view that duplication resulted in less favourable environmental outcomes:

Duplication of regulation does not improve environmental outcomes and does nothing to improve public confidence in governments or the regulatory system. Duplication diverts government and industry resources from more productive uses.<sup>28</sup>

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23 Mr Johnson, UTA, *Committee Hansard*, 1 May 2014, p. 21; Mr Michael Bradley, Director, External Affairs, APPEA, *Committee Hansard*, 20 June 2014, p. 7; Mr Doig, ASBG, *Committee Hansard*, 1 May 2014, p. 3.

24 Mr Doig, ASBG, *Committee Hansard*, 1 May 2014, p. 3.

25 Mr Bennison, AMEC, *Committee Hansard*, 20 June 2014, p. 13.

26 Mr Bradley, APPEA, *Committee Hansard*, 20 June 2014, p. 7.

27 Mr Bradley, APPEA, *Committee Hansard*, 20 June 2014, p. 8.

28 Mr Bradley, APPEA, *Committee Hansard*, 20 June 2014, p. 8.

- 3.24 Witnesses provided examples of duplicative requirements and overlapping regulatory regimes. These related particularly to competing or overlapping processes between jurisdictions, including reporting requirements and offset regimes.
- 3.25 The PCA provided the Committee with an example of duplicative processes at state and federal levels, specifically relating to the protection of koalas in Southeast Queensland. The Committee heard that, despite Queensland having one of the 'strongest and most comprehensive suite[s] of rules ever put together to deal with the species', the federal government released an interim guideline on the matter and applied it retrospectively.<sup>29</sup> The PCA advised that the result has been that the project has been held up while the proponent seeks an 'insurance approval':
- It is somewhere where we know there is no environmental impact but we lodge it and clog up the federal system anyway to make sure that we do not have a compliance issue later on.<sup>30</sup>
- 3.26 While the duplicated processes in the example above have resulted in delays for the proponent and its project, the delays have also translated to the community that is awaiting the development. Furthermore, other proponents making applications to the DoE may have experienced additional delays due to this 'insurance approval ... clog[ging] up the federal system ...'<sup>31</sup>
- 3.27 Some inquiry participants also discussed the water trigger within the EPBC Act, noting that it duplicates existing state processes and therefore does not provide any additional environmental outcome.<sup>32</sup> APPEA advocated the water trigger being repealed.<sup>33</sup> QGC was in favour of the water trigger at least being able to be included in bilateral agreements with states and territories, which is discussed further in Chapter 4.<sup>34</sup>
- 3.28 AMEC discussed the current regulatory system more generally, noting that the duplicative assessment processes carried out by two levels of government concurrently means that 'the same information is being provided to both state and federal authorities.'<sup>35</sup>

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29 Ms Kakas, PCA, *Committee Hansard*, 1 May 2014, p. 8.

30 Ms Kakas, PCA, *Committee Hansard*, 1 May 2014, p. 8.

31 Ms Kakas, PCA, *Committee Hansard*, 1 May 2014, p. 8.

32 Mr Bradley, APPEA, *Committee Hansard*, 20 June 2014, p. 11; Ms Tracey Winters, Vice President, Land and Environment, QGC, *Committee Hansard*, 2 May 2014, p. 2.

33 Mr Bradley, APPEA, *Committee Hansard*, 20 June 2014, p. 11.

34 Ms Winters, QGC, *Committee Hansard*, 2 May 2014, p. 2.

35 Mr Bennison, AMEC, *Committee Hansard*, 20 June 2014, p. 14.

3.29 The issue of providing information and needing to report on similar matters to two levels of government, often concurrently, was discussed by QGC, noting that all issues covered by state approvals also need to be reported to the Commonwealth, 'even for matters not covered by that jurisdiction.'<sup>36</sup> Not only were the dual reporting requirements considered by QGC not to deliver any additional environmental benefits, the duplication was seen as unnecessary and an overly onerous burden on the company. Ms Tracey Winters explained that:

... virtually any incident of an individual fauna death, from lizards to macrofauna, is reportable [even if not caused by the regulated activity]. To give you an example, between January and October last year, we reported 99 incidents, mostly related to the death of an individual or to a minor spill, whether that was of water contaminated with, for example, soil during a flood event or something like that. Those 99 incidents were reported to the state government as required under our environmental authority. Because the Commonwealth government requires us to report to it everything that we report to the state, we also made those same 99 notifications to the Commonwealth.<sup>37</sup>

3.30 The final main area of duplication discussed by inquiry participants relates to processes for determining offset regimes, which currently occur within both the federal and state/territory jurisdictions. For example, the MCA noted the inconsistencies between state and federal offsets, caused by the duplicative processes:

... we will get one set of conditions from the state and we will get a separate set of conditions from the Commonwealth and often those conditions are entirely unrelated to each other even though they relate to the same environmental matter. The responsibility then is on the proponent to manage multiple and often competing conditions, and there is a reporting and compliance burden associated with that.<sup>38</sup>

3.31 Notwithstanding the claims made above, the Australian Network of Environmental Defenders Offices cautioned that claims of duplication are not accurate where different laws address different issues, as is the case with federal and state laws at present.<sup>39</sup> The Committee was advised that:

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36 Ms Winters, QGC, *Committee Hansard*, 2 May 2014, p. 1.

37 Ms Winters, QGC, *Committee Hansard*, 2 May 2014, p. 3.

38 Ms Stutsel, MCA, *Committee Hansard*, 20 June 2014, p. 2.

39 Ms Rachel Walmsley, Policy and Law Reform Director, EDO NSW, Australian Network of Environmental Defender's Offices (ANEDO), *Committee Hansard*, 1 May 2014, pp. 38-9.

In some cases, they are assessing the same projects but they are not necessarily assessing it from the same angle or for the same reasons. State processes do not assess projects from the perspective of World Heritage protection ...<sup>40</sup>

- 3.32 In relation to unnecessary delays more broadly, the MCA presented research that it had commissioned which concluded that the average thermal coal project in Australia experienced a delay of 1.3 years compared to similar projects carried out elsewhere in the world, a deterioration in performance over the last decade. Mr Brendan Pearson of the MCA explained:

These delays impose both a significant cost on individual mining companies but also on the broader economy. ... a one-year delay in a project approval can affect the net present value of a project by between 10 per cent and 15 per cent ...<sup>41</sup>

- 3.33 APPEA also discussed the financial implications for project proponents, the government, and the economy more broadly:

The delays not only for us affected the project economics directly but also the Productivity Commission found that it influenced ongoing tax receipts for the government. In fact, the Productivity Commission ... found that delaying an average sized oil and gas extraction project by just one year could range from an impact on the company by \$300 million to \$1.3 billion.<sup>42</sup>

- 3.34 The Committee heard that similar delays were experienced by parts of the tourism sector. Ms Juliana Payne of the National Tourism Alliance discussed a project in New South Wales:

... a significant \$125-million development in the Wolgan Valley, the Emirates Wolgan Valley Resort. ... In brief, the approval process for this six-star property, which is extremely eco-friendly, fits in with its natural environment, is completely carbon neutral, is self-sustaining and which uses water and waste appropriately, took six to seven years. On that \$125-million property, the cost of the approvals process was \$20 million.<sup>43</sup>

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40 Mr Nari Sahukar, Senior Policy and Law Reform Solicitor, EDO NSW, ANEDO, *Committee Hansard*, 1 May 2014, p. 41.

41 Mr Brendan Pearson, Chief Executive Officer, MCA, *Committee Hansard*, 20 June 2014, p 1.

42 Mr Knudsen, APPEA, *Committee Hansard*, 20 June 2014, p. 8.

43 Ms Juliana Payne, Chief Executive Officer, National Tourism Alliance, *Committee Hansard*, 1 May 2014, p. 17.

- 3.35 Several witnesses canvassed the underlying reasons for unnecessary delays. Duplication was identified as one cause of delay, as discussed above. Another issue raised was the way in which environmental impact assessments are carried out. The EIANZ suggested that delays were caused by the use of standard terms of reference that are not tailored to the circumstances of the individual project being assessed, and are not based on a risk assessment. Mr William Haylock from the EIANZ noted that for:
- ... any type of project, there would be probably 40 topics that we look at and with the way the terms of reference are written all of them have pretty much equal weight.<sup>44</sup>
- 3.36 The canvassing of topics that are not targeted to critical risks for the particular project being assessed also, in Mr Haylock's view, enables vexatious, frivolous, and uninformed claims to be made by third parties, adding further delays to the process.<sup>45</sup>
- 3.37 The MCA also advocated for early, careful, and risk-based determination of the terms of reference for environmental impact statements.<sup>46</sup> Ms Stutsel noted that:
- ... there was a project, for example, in the minerals industry in Queensland where the very late entrance of a spurious matter into the terms of reference led to around a nine-month delay on that project and actually meant that it was subsequently not within its investment window to proceed.<sup>47</sup>
- 3.38 The stop-the-clock provisions of the EPBC Act were also offered as one of the causes of unnecessary delays under the current system. These provisions allow for the suspension of statutory time frames under the EPBC Act. Ms Winters from QGC noted that:
- ... statutory time frames are subject to stop-the-clock provisions, and the stop-the-clock provisions have no time frames around them. As a result, that often renders the statutory time frames in the act irrelevant.<sup>48</sup>

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44 Mr William Haylock, Board Member, EIANZ, *Committee Hansard*, 19 June 2014, p. 16.

45 Mr Haylock, EIANZ, *Committee Hansard*, 19 June 2014, p. 16.

46 Ms Stutsel, MCA, *Committee Hansard*, 20 June 2014, p. 2.

47 Ms Stutsel, MCA, *Committee Hansard*, 20 June 2014, p. 2.

48 Ms Winters, QGC, *Committee Hansard*, 2 May 2014, p. 2.

- 3.39 By contrast, the LCA could not find examples where the legislation was creating delays for business. Rather, Dr Leonie Kelleher suggested:
- ... it was maybe more that business was reluctant to participate in it or was not preparing the environmental impact assessment reports to the required standard quickly enough.<sup>49</sup>
- 3.40 The LTGA concurred with this view, suggesting that delays were a result of proponents not providing adequate information with their applications or otherwise not following the relevant guidelines.<sup>50</sup>
- 3.41 Mr Haylock from the EIANZ expressed the view that requests for additional information were often in relation to matters 'that really are not the risk to the environment or people, the critical risk for the project.'<sup>51</sup>
- 3.42 Finally, the LCA suggested that delays may be caused by the inadequate resourcing of government agencies:
- One of the things I suspect causes the delays which industry may complain about would be that it goes to a public service agency. They are overwhelmed with the quantity of matters that they have to deal with so they take more time than they ought to take. There are delays and a backlog. If that is the problem then it is a resourcing problem ...<sup>52</sup>

### Other sources of administrative inefficiency

- 3.43 Aside from the issues already discussed above, two other key sources of administrative inefficiency were identified by stakeholders: the inability to alter an approved project without needing to obtain another approval; and the practice of proponents making 'insurance referrals'.
- 3.44 The CEC informed the Committee that, if there are any proposed changes to a project following its approval, there is a requirement for the proponent to obtain a new approval. In the area of wind technology, where there have been considerable technological advancements over the last decade that can result in wind farms having a *smaller* environmental impact, yet requiring a new approval in light of the change in environmental impact.<sup>53</sup> Mr David Green, of the CEC, elaborated:

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49 Dr Leonie Kelleher AOM, Member, Australian Environment and Planning Law Group, Legal Practice Section, LCA, *Committee Hansard*, 19 June 2014, pp. 3–4.

50 Ms Schofield, LTGA, *Committee Hansard*, 1 May 2014, p. 35.

51 Mr Haylock, EIANZ, *Committee Hansard*, 19 June 2014, p. 16.

52 Mr McIntyre SC, LCA, *Committee Hansard*, 19 June 2014, p. 4.

53 Mr David Green OBE FRSA, Chief Executive, Clean Energy Council (CEC), *Committee Hansard*, 2 May 2014, p. 11.

What is actually happening is, because of developments in the technology, you may actually need less turbine towers or you may need smaller turbine towers with shorter blades. If you look at it in strict planning terms, that is not the same scheme that you applied for seven years ago. It is actually a scheme that could be having a smaller footprint, or a more efficient footprint, but in planning terms it is a significant departure.<sup>54</sup>

3.45 Mr Green emphasised the need to allow some sort of ministerial or bureaucratic discretion in cases such as this, where a change in the project does not result in increased environmental impacts. The MCA concurred with this view, suggesting that:

... consideration should be given to a process for amending an approval without requiring a formal assessment. Only changes which do not have a significant detrimental effect on the environment additional to, or different from, the effect of the original proposal should be approved under such a process.<sup>55</sup>

3.46 The issue of 'insurance referrals' was discussed briefly earlier in this chapter. Evidence to the inquiry suggested that the structure of the EPBC regime provides an incentive to companies to undertake insurance referrals. Due to the risks associated with potentially triggering a matter of national environmental significance under the EPBC Act and having the provisions of the Act apply retrospectively to a project, many companies will refer their project to the Commonwealth to determine whether or not the project constitutes a controlled action.<sup>56</sup> Indeed, insurance referrals are undertaken by companies even when they are certain that their activities will not trigger the EPBC Act.<sup>57</sup>

3.47 The practice of undertaking insurance referrals appears to be quite widespread, with both the MCA and the PCA indicating that many or all of their members adopt this approach.<sup>58</sup> The MCA sees a resolution to this matter, through the appointment of a referrals manager:

... someone who actually had the delegated authority to say, 'Your project, based on the information that you can provide, is clearly not within the requirements of the EPBC Act and we will give you certainty that you will not be subject to that retrospective

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54 Mr Green, CEC, *Committee Hansard*, 2 May 2014, p. 11.

55 MCA, *Submission 82*, p. 6.

56 Ms Stutsel, MCA, *Committee Hansard*, 20 June 2014, p. 2.

57 Ms Kakas, PCA, *Committee Hansard*, 1 May 2014, p. 8.

58 Ms Stutsel, MCA, *Committee Hansard*, 20 June 2014, p. 2; Ms Kakas, PCA, *Committee Hansard*, 1 May 2014, p. 8.

application later on' would actually reduce the number of projects that we have going through that process.<sup>59</sup>

## Committee comment

- 3.48 The Committee notes the benefits of the current system of environmental assessments and approvals, as identified by inquiry participants. The focus on environmental protection, environmentally sustainable development, and the involvement of the Commonwealth as an impartial third party have all been valuable contributions of the current regime.
- 3.49 There are many shortcomings of the current system, which are resulting in inconsistency and ambiguity of legislation and its application, unnecessary delays and costs, overly onerous reporting requirements, and duplication.
- 3.50 The Committee acknowledges that some perceived duplication may be due to different levels of government requiring similar information for different purposes. However, the Committee considers there is unnecessary complexity in the current system and therefore much scope for streamlining and identifying efficiencies.
- 3.51 The Committee accepts the LCA's view that:
- Regulation needs to be cleverly organised so that it does what it is supposed to do and does not do what it is not supposed to do. The problem is where it has gone beyond what it is supposed to do and is creating a burden for people and does not achieve the objects which any of us are seeking.<sup>60</sup>
- 3.52 The Committee supports reducing regulatory complexity without compromising environmental outcomes and protections. The Committee is aware that the 'one stop shop' proposal for environmental assessments and approvals will address many of the concerns outlined in this chapter. The proposal is discussed in detail in the next chapter.

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59 Ms Stutsel, MCA, *Committee Hansard*, 20 June 2014, p. 2.

60 Mr McIntyre SC, LCA, *Committee Hansard*, 19 June 2014, p. 1.

