Sustainable Business Australia

Committee Secretary
Senate Standing Committees on
Environment and Communications
PO Box 6100 Parliament House
Canberra ACT 2600 Australia

14 February 2013

Dear Committee Secretary,

SUBMISSION ON ENVIRONMENT PROTECTION AND BIODIVERSITY CONSERVATION AMENDMENT (RETAINING FEDERAL APPROVAL POWERS) BILL 2012

Sustainable Business Australia (SBA) is the leading Australian business peak body and think-tank promoting commercial solutions to secure a just and sustainable world.

SBA is a national, Sydney-based not-for-profit, non-partisan business membership association that represents a range of organisations, drawn from all sectors and industries. With our unique, cutting-edge network, we conduct relevant business forums and seminars on key and current issues each year, attracting leading keynote speakers and panellists that include SBA members from sectors relevant to the topic at the time.

SBA is also the Secretariat for the Businesses for a Cleaner Economy (BCE) group, an initiative that began last year comprising major Australian and international corporations and representative associations operating across the Australian economy that strongly support the introduction of a well designed carbon price to support the transition to a low-carbon economy.

In addition, SBA is the Australian delivery partner of the United Nations Environmental Programme Financial Initiative.

We apologise for the delay in making a submission to this important legislation. SBA wishes to state for the record that it believes Parliament should approve this proposed amendment.

Context

Critically, the 2011 *State of the Environment Report*[i] documents the continuing decline in the wellbeing of Australia's natural assets. SBA considers that national environmental issues need strong united national leadership and direction.

We echo the sentiments of organisations such as the BCA and AIG to see the revision of the current EPBCA assessment processes to achieve productivity and efficiency as well as sound environmental outcomes.

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And yet we consider there can be a better delivery mechanism under the bilateral arrangements and that further work needs to be done with jurisdictions to establish inter-jurisdictional taskforces to consider and expedite the elimination of unnecessary duplication and decrease business costs for significant projects.

Where possible, opportunities need to be identified to align and create administrative efficiencies.

However, SBA does not consider that the proposal in the *COAG April 2012 Agreement*[ii], namely, to hand over Commonwealth environmental approval powers, to the state government is representative of the primary role of the *Environmental Protection Biodiversity Conservation Act*[iii] to 'protect and manage nationally and internationally important flora, fauna, ecological communities and heritage places.'[iv]

In fact, the agreement to hand over approval powers to the state government would jeopardise and delay instrumental environmental reforms and the health of nationally and internationally significant environmental assets which are intrinsic to our national economic wealth. The effective management and protection of Australia's natural assets, therefore, is fundamental to the prosperity to our nation.

SBA is concerned that the transference of these national approval powers will put at risk environmental assets, which the Commonwealth has an obligation to effectively manage and protect.

SBA considers that the dual goals to "*reduce regulatory burden and duplication for business*" and at the same time *"deliver better environmental outcomes"*[v] can be satisfied, even with the retention of Federal approval powers. It is vital that the Federal Government retains control of environmental approval decisions on matters of national significance. In doing so, satisfying the objective in the EPBC Act, to ensure that future development does not cause further damage to nationally significant environmental assets. [vi]

The role of our national environmental regulatory system is to ensure that it properly assesses the environmental impact of proposed capital investment on our national natural asset, the environment. This Bill will ensure that important economic development meets the required standards, and achieves a more effective and efficient system of environmental, and reinforce the significant role the Commonwealth Government has to play in securing this asset for all Australians, both for now and for generations to come.

SBA says there is no evidence to support the contention that the current approvals process is inefficient or ineffective in carrying its roles under the legislation, such as to warrant the removal of the approvals power under the legislation from the Commonwealth to the States. Accordingly, in the absence of such evidence, there is no benchmark by which to argue that transference of the Ministerial approvals process to the States would, as some assert, enhance efficiency and increase certainty for business. In fact, all levels of government should see the use of approval bilateral agreements, as a

process improving the efficiency and effectiveness of respective roles of the various jurisdictions under environmental approvals system.

Indeed, SBA considers that Business and Finance Sectors are comfortable with the present delineation of responsibility, principally because the governance, efficiency and efficacy of assessment and decision-making roles have been appropriately allocated.

For the reasons outlined above, and given that a number of our members are important stakeholders in the national environment and approvals process, SBA would like to express our support in the passage of this Amendment.

SBA also recommends taking advantage of further consultation of better ways to manage and protect environmental issues with such national significance.

We would be happy to discuss our ideas on how a viable outcome can be achieved; one balancing the need to protect and manage nationally significant environmental assets whilst simultaneously removing the double handling between the Commonwealth and the States.

Yours faithfully,

Andrew Petersen
CEO

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[i] *State of the Environment 2011* (SoE 2011), Independent report to the Australian Government Minister for Sustainability, Environment, Water, Population and Communities *Australian State of the Environment Committee, 2011*

[ii] COAG Communique, COAG. Meeting of 13 April 2012

[iii] *Environment Protection and Biodiversity Conservation Act 1999*

[iv] Ibid

[v] COAG Communique, COAG. Meeting of 19 August 2011