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Greentape Reduction Project
Ecosystem Outcomes Division
Department of Environment and Resource Management
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Dear Sir/ Madam

Greentape Reduction Discussion Paper and Regulatory Assessment Statement

The Australian Industry Group (Ai Group) welcomes the opportunity to make a submission to the Department of Environment and Resource Management (DERM) on the Greentape Reduction Discussion Paper and Regulatory Assessment Statement.

Ai Group is a peak industry association in Australia which, along with its affiliates, represents the interests of more than 60,000 businesses in an expanding range of sectors including manufacturing, engineering, construction, automotive, food, transport, information technology, telecommunications, call centres, labour hire, printing, defence, mining equipment and supplies, airlines and other industries. The businesses which we represent employ more than 1 million employees.

This submission has been built on practical feedback and examples from Ai Group's broad membership and aims to present practical issues and concerns from an industry perspective.

Ai Group welcomes the Queensland Government's efforts to reduce the regulatory burden relating to environmental regulation, and its associated costs to industry and government and agrees with the broad principles upon which the proposed framework is based.

The current system is challenging for business to manage, especially for activities administered by local government which typically present a myriad of licensing conditions. In particular, our member businesses have indicated they are supportive of:

- A consistent approach within industry sectors which contributes to a level playing field for all operators, along with consistency across local government areas.
- Transparent rules and processes, which will assist with business planning activities through clear publicly available requirements.
- Achieving a balance between amending current regulation and allowing sufficient time for a working knowledge of legislation to be developed by those required to comply. In this regard any amendments should be carefully selected to remove burden and should not represent "change for the sake of change" as frequent legislative changes also contribute significantly to complexity.

In relation to specific initiatives, feedback from Ai Group's member companies has highlighted a number of areas of potential concern, particularly relating to certain implementation tools. Specific comments are provided below for each initiative:

▪ **Initiative 1:**

General: Ai Group is strongly supportive of a licensing framework proportionate to environmental risk. However, there is concern within the industry over the definition of environmental risks, which currently appear skewed towards environmental nuisance. Although we understand that the proposed licensing reform needs to take into account community concerns to the extent possible, it should, above all, uphold environmental standards and not reduce environmental outcomes.

The new framework proposes to allow local governments to override statutory rules and standard conditions. Generally industry is opposed to this approach as it will potentially result in a multitude of rules and conditions, overruling the consistency principle. This principle is the most significant business outcome expected from the Greentape initiative.

Track 1 – Statutory Rules: A high level of guidance should be provided to businesses registering under the statutory rule track, including guidance for the ongoing management of controls generally considered 'simple' or 'easy to implement'.

Track 2 – Standard Approval: Ai Group can see the potential for significant savings to be made through this new assessment track. Importantly, it will preserve and potentially increase environmental standards through a new set of general conditions, freeing up resources that could be transferred towards compliance activities. The discussion paper suggests that applicants will be able to apply for variation of some standard conditions. Although Ai Group would like to see as much flexibility as possible, this suggestion requires further discussion to better understand its implications.

- **Initiative 2:** The proposal to introduce an operator licence is expected to assist small to medium businesses with environmental compliance. There is currently confusion, and occasionally ignorance, with regard to the location of operating conditions. This leads in some cases to non-compliance. However, the discussion paper offers a solution that seems complex, with some conditions located on the development permit, and others on the operator licence. To streamline the process, Ai Group is in favour of a single document that would detail all operating conditions related to environmental management, clearly labelled as an environmental licence. The proposed split between development permit and operator licence may not be suitable for some activities where, for example, the location of the activity is also an operational issue (burial sites for agricultural activities for example). Following discussions with Ai Group Queensland Environment Working Group, it seems that MCU triggers, environmental and others, would also need further discussion.

- **Initiative 4:** Streamlining and clarification of information requirements is an important initiative which, if managed well and consistently, could potentially save significant time and resources for industry. Currently, information requests can be complex and include information irrelevant to the change being applied for. Industry in general is concerned about significant additional costs that may result from third-party certification. Overall, we would seek that administering authorities assess their information requests and ensure that the new assessment process only requires the information necessary for the actual activity or change applied for.

Overall, the sentiment within industry is that the State needs to further explore broader opportunities for system enhancement than has been contemplated to date by government. Such a process could reveal further efficiency opportunities that might be currently out of scope. These could include enhanced enforcement, development and revision of guidance and training material for regulatory officers, or industry access to experienced officers to settle issues.

Ai Group and its members look forward to continuing to work closely with the Department as this initiative progresses, as its success will be strongly dependant on ongoing industry and stakeholders' involvement.

Please do not hesitate to contact Isabelle Gabas on (07) 32441504 or Jemina Dunn on (07) 32441767 should you wish to discuss this submission further.

Yours sincerely



Matthew Martyn-Jones
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The Australian Industry Group