

9<sup>th</sup> November 2012

Native Vegetation Review  
Department of Sustainability and Environment  
PO Box 500  
EAST MELBOURNE  
VIC 3002

Dear Sir/Madam,

## **FUTURE DIRECTIONS FOR NATIVE VEGETATION IN VICTORIA**

I refer to the September 2012 Consultation paper "Future directions for native vegetation in Victoria, Review of Victoria's native vegetation permitted clearing regulations".

The overarching position statement of CMPA members is that they continue to be deeply concerned about the impact of native vegetation policy on their businesses and the risks to life and property it imposes on their rural communities. The Consultation paper, in particular the Reform directions for permitted clearing regulations, appear to be adding complexity rather than clarity for the extractive industries and in so doing, only builds upon our concerns about native vegetation issues in Victoria.

The CMPA was informed the State Government intended to review the Native Vegetation Management Framework (NVMF), the principal policy for managing native vegetation in Victoria. We were consulted, albeit briefly, about the 'terms of reference' for the review. However, the release of the Future Directions Consultation paper comes as a surprise in that it has been prepared and distributed for feedback with virtually no extractive industries stakeholder input to this point.

As a consequence, it does not address the issues that our industry and this representative association, view as of major significance, if Victoria is to have a viable extractive industries in the medium to long term future.

To say that we are disappointed with the lack of consultation to this point in the review and the directions outlined in the Consultation paper is an understatement. On our reading, the Consultation paper merely promotes where the Department of Sustainability and Environment (DSE) intends to go in relation to net gain and has not given due regard to the information and views submitted on native vegetation by our industry since 2002.

While the 'permitted clearing regulations' governing the removal of native vegetation are of major importance to the State's extractive industries, the CMPA nonetheless believes a more comprehensive review of the total package of native vegetation policy is what is desperately needed. Such a review would provide greater context and clarity to the 'permitted clearing regulations' rather than considering them in isolation and, dare we say it, as a means of enhancing the scope for net gain under the NVMF.

CMPA concerns about the requirements and constraints the NVMF places upon our industry have been raised with DSE and the Department of Primary Industries (DPI) for the State Government, on numerous occasions without any improved understanding or satisfactory resolution. I have attached a copy of a document that summarizes quite clearly our members concerns with the NVMF in its current form. Copies of this document have previously been provided to DSE, DPI and to the senior advisor to The Hon Ryan Smith, Minister for Environment and Climate Change.

Beyond the specifics of the extractive industries, the CMPA maintains the NVMF has not worked effectively or constructively to the benefit of the State of Victoria. Rather it has been a major impediment to the financial and environmental future of this State and presents an increasing risk to public safety and property.

In our view the NVMF (the 'policy') and its related regulations borders on being indefensible to private landholders, the concept of 'net gain' is simply not true and the current offsets system is creating major problems for future generations. DSE gives the appearance of lacking an understanding of the biological architecture of the State and seems not to have a defined plan for its future, apart from increasing the extent of Victoria's native vegetation and by so doing, its biodiversity.

These issues need to be quickly addressed, particularly as industry and the State Government try to determine the future of existing and potential extractive industries sites within the context of a significantly expanding Victoria, especially on the outer fringes of Melbourne and its related housing and infrastructure demands. The State Government also needs to work with all stakeholders, particularly private landholders and affected industries to ascertain how the costs of future native vegetation requirements and their perpetual upkeep are to be addressed. None of these matters has been addressed in the Future Directions Consultation paper.

Of wider concern to CMPA members is the impact of the NVMF on the safety of their rural communities. The fact that the previous State Government brought in the 10/30 clearing exemption immediately after the Black Saturday Fires is a tragically belated recognition of its impact. In conjunction with the 2004 Road Management Act the loss to life and property through bushfires and road accidents will only increase unless there are radical changes. Recently reported figures show that 30% of rural road deaths are due to impacts with trees.

The CMPA submits the impact on public safety of the NVMF must also be considered in this review of Victoria's native vegetation permitted clearing regulations and/or any subsequent review of the NVMF (the 'policy').

The need for regulations for extractive industries has always been recognised by the CMPA but the regulations in place need to be balanced, they need to be fair and they need to support future endeavours in the State of Victoria. The CMPA considers the following are the minimum requirements to reducing the impact of the NVMF and the native vegetation permitted clearing regulations on the future viability of the extractive industries in Victoria:

1. Define tangible objectives of the NVMF (the 'policy') in clear and understandable terms;
2. Make risks of native vegetation prescription for landholders transparent and costs compensable as per the Land Acquisition and Compensation Act 1986;
3. Exempt extractive industries from native vegetation prescription (miniscule eco footprint);
4. Native vegetation offsets, if imposed, need to be flexible and realistic;
5. Put a monetary value on underground resources when valuing offsets (native vegetation prescription), i.e. recognize the value to the state of the resource to be extracted below native vegetation permitted to be removed and offset; and
6. Reduce rather than increase the complexity of assessing native vegetation.

The Hon Ryan Smith Minister for Environment and Climate Changes made the following statement in the Future Directions document.

*"We are determined to improve the Coalition Government's performance as an environmental regulator, while enhancing the integrity of the permitted clearing system. This will mean less red tape, more transparent decision making and increased certainty for landholders. Most importantly, it will mean stronger environmental outcomes," Mr Smith said.*

The CMPA considers the reforms outlined in the current version of the "Future directions for native vegetation in Victoria, Review of Victoria's native vegetation permitted clearing regulations" will not result in the stated objectives of the Minister, repeated above, being achieved.

Our examination of the Consultation paper does not give our members any confidence that their predominately family owned businesses will not be disadvantaged and that their rural Victorian communities will be better protected or enhanced under the proposed NVMF reforms outlined in the Consultation paper.

On the contrary, those extractive industries NVMF issues that are:

- adversely impacting upon the future viability of the State's highly productive and much needed extractive industries;
- causing major SME business viability concerns;
- imposing an undue financial burden on SME private capital resources;
- Proving to be a major barrier to much needed extractive industries expansion;

do not appear to have been addressed in the Consultation paper.

The CMPA wants to be engaged by DSE as part of the "Future directions for native vegetation in Victoria, Review of Victoria's native vegetation permitted clearing regulations" consultation process.

However, it is our preferred position that such regulation and NVMF policy engagement with DSE be conducted with the informed benefit of the Victorian State Government's overriding policy direction and objectives. We will await further consultation details in relation to the "Future directions for native vegetation in Victoria, Review of Victoria's native vegetation permitted clearing regulations" before commenting further.

We look forward to hearing from you in reply.

Yours sincerely



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