

24 February 2006

Built Environment Group
Department of Sustainability and Environment
Mr J Barnes
P O Box 500
EAST MELBOURNE VIC 3002

Dear Mr Barnes

RE: MINISTERIAL GUIDELINES FOR ASSESSMENT OF ENVIRONMENTAL EFFECTS

Thank you for providing the CMPA to provide a second round of comments to the 'Ministerial Guidelines for Assessment of Environmental Effects under the Environmental Effects Act 1978'.

Firstly, the association is very grateful for the consideration that has been given to its earlier comments. These changes will assist our members to some degree and has clarified a number of issues.

The reviewed guidelines as presented to us today have still not addressed the concerns we had pertaining to the cost of the EES process and the clear definition of the objectives of the EES process.

Cost of the EES process

The EES process clearly involves significant compliance costs for business and administrative costs for the public sector. In the business sector the costs are incurred either by a publicly floated company or through a private family business investor. Our Association is representative predominately of such family business owners. These family businesses are financially restricted in their ability to consider participating in the EES process due to the limited access they have to working capital. For an owner of a family business to invest their limited financial resources they must have confidence in the decisions they make. Careful consideration will be given to:

- a. That a positive outcome is inevitable;
- b. That the cost of researching, arguing and delivering is containable;
- c. That the timeframe is definable; and
- d. That the conditions placed upon the final outcome are reasonable.

It is quite evident from discussions held with CMPA members that the costs of participating in the EES process are continually escalating, and as a result is becoming both unfair and anti-competitive upon small businesses owners.

Outcomes to this issue need to be clearly articulated in within the guideline to ensure equality within the marketplace.

Definition of Objectives

In defining the objectives of the EES process, the specific objective,

'To provide for the transparent assessment of potential environmental effects of proposed project, in the context of applicable legislation and policy, including principles and objectives of ecological sustainable development'

would be enhanced if it were supported with examples of the objective. For instance, 'An outcome which results in the reduction or minimisation of greenhouse gasses' more clearly articulates the above objective and the proponent would be in no doubt as to what was actually being sought in this process. This could then be supported by the process as it underpins one of the State's environmental goals. The result of this approach would be that the proponent thought more carefully about meeting the needs of community resulting in a waste minimisation process occurring at the planning stage.

— This concern is further supported by Ministerial Policies and many ministerial press releases highlighting the significance and importance of sustainable development whilst these same principles are not as obvious within the machinery of government which reviews and grants permits.

I trust these comments are useful. Please call me if you require any clarification or elaboration.

Yours sincerely



Ron Kerr
Honorary CEO