



Mr Jason McNamara
Executive Director
Office of Best Practice Regulation
Department of the Prime Minister and Cabinet
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BARTON ACT 2600

Email: helpdesk@obpr.gov.au

Dear Mr McNamara

Reference 18008: Regulation Impact Statement –final assessment second pass

I am writing in relation to the attached Regulation Impact Statement (RIS) prepared by the Great Barrier Reef Marine Park Authority for *Banning the disposal of capital dredge spoil material in the Great Barrier Reef Marine Park*. The regulatory burden of this proposal on businesses, community organisations and/or individuals has been quantified using the Regulatory Burden Measurement framework, and offsets have been identified. The regulatory burden costing and offset has been agreed with your office.

I am satisfied that the RIS addresses the concerns raised in your letter of 5 May 2015. Specifically, the RIS covers your six points of:

(i) General comments

The '*Timeline*' section has been revised to reflect the status of the proposal at key points over the past three years. This includes the development of reports on the impacts of dredging and ways to improve the management of dredging and the disposal of dredged material. Included within this timeline is a row which clarifies that the decision on this proposal will not be formally made until the Minister for the Environment signs the decision instrument.

(ii) Problem identification;

A new section '*Scope*' has been added to the 'Introduction' providing greater clarity around the breadth of the proposal, including why the existing regulatory framework could not achieve the outcomes sought.

Additional information has also been added to the '*Assessing the problem*' section to expand on the background associated with water quality issues within the Great Barrier Reef and the other actions that are occurring across Government to address other sources of turbidity in the Great Barrier Reef.

The '*Existing regulatory arrangements*' section has been expanded to provide an overview of the functions of the Authority that are relevant to this proposal, the mandatory and discretionary considerations that the Authority considers in making a decision on an application; and other examples of limitations on the granting of permissions. This expanded section provides context for the '*Options to address the problem*' section on why the existing regulatory framework could not achieve the Government's intent.

The '*Impacts of disposal of dredge material in the Marine Park*' section now contains summarised information about the results of past monitoring of the effects of disposal of capital dredge spoil material in the Marine Park. Essentially these results demonstrate that dredging and sediment disposal can change the physical and chemical environment and affect the biological values of the World Heritage Area yet these effects will be context dependent and will differ between locations, types and extent of dredging and sediment disposal activities. Available monitoring does not suggest that recent dredging projects in the Great Barrier Reef have directly resulted in significant, short-term coral mortality but sub-lethal effects are uncertain, as are effects of long-term contributions to suspended sediments. This report reflects the most up-to-date understanding of these impacts from a recently released report that synthesised known information.

Justification for the threshold of 15,000 cubic metres has been added to the '*Options to address the problem*' section describing the preferred option (i.e. the regulation). This equates to a *Very Small Dredging Program* under the National Assessment Guidelines for Dredging (2009) and was chosen given the significantly reduced potential for unintended impacts as a result of disposal in the Marine Park. It also allows for new boat ramps to be installed in the future and for small beach nourishment programs to be conducted.

The potential impacts from the disposal of capital dredge spoil material on land have been added to the '*Other*' section within the summary of public submissions. Land-based disposal was highlighted as a potential issue in submissions because of concerns about effects of disposal on coastal ecosystems adjacent to the Marine Park that may result from this proposal. Reference is made to the recently released report synthesising the current knowledge about the impacts of dredging and the disposal of dredge material and the relevant pages of that report that discuss the potential impacts for land-based disposal are provided as a reference.

(iii) Impact analysis;

Additional information has been included in the '*Options to address the problem*' to explain the differences between the options and why the Government's proposed option is preferred. The RIS now contains an explicit statement recommending the option with the highest net benefit as part of the '*Regulation to ban the future disposal of capital dredge spoil material in the Marine Park (preferred solution)*' section.

A new section '*Addressing uncertainty*' has been added to outline the uncertainties associated with achieving the intent of the ban on the disposal of capital dredge spoil material in the marine park. These uncertainties are then discussed in each option with a description of how each option would address them.

Information about community benefits and how the community values the Great Barrier Reef is briefly summarised in the '*Net Benefits*' section.

The RIS also now takes a consistent position on likely demands for port expansion and discusses the certainty provided to businesses by the introduction of a ban on the dumping of dredge spoil in the Marine Park.

(iv) *Consultation;*

I acknowledge that best practice consultation should run for a minimum of 30 days, however, it was not possible in this case. Additional detail about the recent consultation process has been added to the section '*Summary - Public Consultations and Advice*' subsection '*March 2015*'. It now includes additional information on the rationale for the recent shorter-than-optimal formal consultation process, noting though that additional time was provided to individuals or organisations when requested, and that this extended until 28 April 2015.

This section also addresses your queries about whether additional options were raised in submissions and how those suggestions were addressed in finalising a preferred option. I would like to point out that the submissions were useful in clarifying the content for the proposed regulation including GBRMPA now including an ability to retain disposal in emergency situations (for example, for the protection of human life or property).

This new section '*Scope*' addresses your queries about why certain activities (for example, dredging) were not considered as part of the proposal.

(v) *Regulatory costings*

Additional detail about information obtained through the consultation process to inform the regulatory burden costings has been added to the section '*Outcomes of Public Consultation*'. This includes information provided in one submission about the potential additional costs for three potential projects as a result of the proposal.

No additional information was provided in submissions on the timing of affected projects, why no other projects are foreseen in the period 2020 to 2025 or any other projects that may be affected by the proposal. Nevertheless, additional information about potential timing of the affected projects is now outlined in the section '*Estimates of regulatory burden associated with the preferred option*' under the heading '*Affected stakeholders*'.

(v) *Other*

Technical terms have now been defined throughout the RIS.

Accordingly, I am satisfied that the RIS complies with the requirements set out in the *Australian Government Guide to Regulation*.

I submit the RIS to the Office of Best Practice Regulation for formal final assessment.

Yours sincerely

A handwritten signature in blue ink that reads "Reichelt". The signature is written in a cursive style with a large initial 'R'.

Russell Reichelt
Chairman

14 May 2015