

ENVIRONMENTAL PROTECTION (COST RECOVERY) REGULATIONS 2021

841. Hon TJORN SIBMA to the minister representing the Minister for Environment:

I refer to the draft Environmental Protection (Cost Recovery) Regulations 2021.

- (1) What protections are in place to prevent the Department of Water and Environmental Regulation from over-cost recovering or, colloquially speaking, price gouging when setting user fees for environmental assessments?
- (2) How will fees be set and structured to avoid the potential for cross-subsidisation of other DWER or other government functions, which are explicitly referred to as “comprising departmental costs” in the consultation draft, when these matters were not contemplated in the Environmental Protection Amendment Bill passed in the fortieth Parliament?

Hon STEPHEN DAWSON replied:

I thank the honourable member for some notice of the question. The following answer has been provided to me by the Minister for Environment.

- (1)–(2) The head power enabling cost recovery in section 48AA of the Environmental Protection Amendment Act limits the use of cost recovery to meet the costs incurred by the Department of Water and Environmental Regulation in respect of the referral, assessment and implementation of proposals under the EP act. In addition, for the purposes of transparency, cost-recovered revenue and expenditure will be reported on by DWER annually.

The DWER-proposed pricing model for part IV of the Environmental Protection Act 1986 is based on a detailed analysis of the actual costs incurred by DWER in managing the referral, assessment and implementation of proposals under part IV the EP act. This model was developed by an external consultant, and further independently tested by Ernst and Young, which concluded that the underlying assumptions used to develop the model were logical and reasonable.