

TERMS OF REFERENCE
INQUIRY INTO THE ENVIRONMENT PROTECTION AUTHORITY

Preamble

Our promise to Victoria at the election was to respond to concerns about how our environment and our industries are managed together to protect the health of Victorians.

We promised to look closely at the Environment Protection Authority (EPA) to establish how we can develop the authority to ensure it can protect public health, while protecting our precious Victorian environment for future generations.

Since the EPA was first established, our population has changed and so have our challenges. Victoria's population is expected to double by 2050. Increases in resource consumption, traffic and waste volumes will follow. Demand for housing and urban density will continue bringing communities into closer proximity with potentially contaminated land, industrial areas and with each other. We need to better protect Victorians from exposure to chemicals and pollution than we unfortunately sometimes have in the past. And we need to ensure that the principle of environmental justice is adhered to. We all have the right to participate in making decisions on our shared environment, and share in the benefits it provides.

Victoria's environment protection approaches need to be ready to deal with the range of human and environmental impacts and challenges we expect to face in the future.

The review will examine whether the EPA has the right powers, right tools and proper resourcing to ensure it is agile and efficient and can tackle the environmental challenges of today and tomorrow.

Undertaking a public inquiry will ensure we are setting the EPA up for success – to be able to respond to the justifiable public health concerns arising from contaminated sites, water quality, air pollution and community concerns such as exposure to asbestos.

To ask if the EPA is our environmental protector or regulator or both.

In undertaking this inquiry, the government will seek the advice of a ministerial advisory committee on the EPA's most appropriate role in public health issues related to land, air and water pollution, and in protecting our environment. It will also examine how to best prevent contamination of sites as well as the EPA's ability to respond to day-to-day environmental issues.

The ministerial advisory committee will seek the views of the community, industry and workers in related industries as well as those of other relevant stakeholders.

From this review, I expect to see recommendations about the way the EPA can execute the right powers, duties and functions to achieve sustainable health for our State.

Hon Lisa Neville, MP

Minister for Environment, Climate Change and Water

Establishment of a Ministerial Advisory Committee to conduct inquiry

The Minister for Environment, Climate Change and Water (Minister) establishes an independent ministerial advisory committee (MAC) to be known as the 'Environment Protection Authority Inquiry MAC' by these terms of reference to conduct a public inquiry into the EPA.

Scope of inquiry

The inquiry will be conducted by the MAC which will inquire into, report on, and present any recommendations and/or options that it considers appropriate in relation to the matters specified below. These are to be considered in the following order of priority:

- 1) the EPA's appropriate role in relation to public health issues, including at least: community concerns such as exposure to asbestos, chemicals and other pollutants; the prevention and management of site contamination, air quality, and water quality in rivers and other waterways;
- 2) the Victorian community's and industry's expectations of the EPA as its environmental regulator;
- 3) the EPA's appropriate role in protecting the environment;
- 4) the ability of the EPA to ensure that the principle of environmental justice is adhered to, the environment is protected for the benefit of the community, and members of the community can be meaningfully involved in, and access fair treatment through, environmental regulation;
- 5) the ability of the EPA's current governance structures and funding arrangements to enable it to effectively and efficiently discharge its powers, perform its duties and implement its required functions;
- 6) the scope and adequacy of the EPA's statutory powers, and the effectiveness and efficiency of the suite of tools available to and utilised by the EPA, in enabling protection of the Victorian community and the environment, particularly in light of recent, new and emerging risks and issues; and
- 7) any other matter reasonably incidental to these above matters.

In conducting this inquiry, the MAC will consider the best way to combine environmental protection with economic viability and growing sustainable jobs in Victoria, including through improving regulatory efficiency and minimising regulatory burden. The MAC will also seek the views of the community, industry and workers in related industries, local government and Victorian government agencies, as well as those of other relevant stakeholders.

Functions of the Ministerial Advisory Committee

The MAC will conduct the review, operating from **1 June 2015** to **31 March 2016**, with the following functions:

- a. Conduct the inquiry, including:
 - i. consulting with interested parties (including the community, industry and workers in related industries, and Victorian government agencies)
 - ii. seeking and reviewing submissions
 - iii. commissioning necessary advice and information through its secretariat
- b. Provide the “public face” for the inquiry
- c. Through its secretariat, oversee inquiry administrative and organisational arrangements
- d. Provide written report to Minister on its findings, making recommendations and/or options as appropriate
- e. Request advice from, and refers matters to, the Government Reference Group
- f. Request advice from the Community and Industry Advisory Group.

Accountability

The MAC will report to the Minister.

A diagram of the overall governance structure for the inquiry is provided on page 5.

Reporting arrangements

The MAC is to provide a written report to the Minister by **31 March 2016**. The Minister intends to publicly release the report and a response to its findings and recommendations on behalf of the Victorian Government.

Appointment

MAC members are appointed by instrument by the Minister.

The MAC comprises three members.

The Minister will appoint one member as chairperson and one member as deputy chairperson.

Term of appointment

A member of the MAC holds office for the period specified in the instrument of his or her appointment.

EPA and Environment Protection Board (EPB) contribution

During the course of its review, the MAC must consult with the EPA Chairman and the EPB members for advice on:

- strategic issues and opportunities for EPA; and
- the operational implications of reform options for EPA.

The EPA Chairman and EPB members will provide this and any other advice to the MAC in response to requests from the MAC.

Government Reference Group

The MAC will be supported by a Government Reference Group, to be chaired by the Executive Director Environment Policy, DELWP, and with representatives from the Planning Division, DELWP; Department of Premier and Cabinet; Department of Treasury and Finance; Department of Economic Development, Jobs, Transport and Resources; Department of Health and Human Services and Department of Justice and Regulation. The Government Reference Group will provide advice to the MAC in response to requests from the MAC.

Governance Structure

