

Review of Victorian Government's Environment Performance 2002 to 2006

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Prepared by: Environment Victoria, Greenpeace, Australian Conservation Foundation, The Wilderness Society and The Victorian National Parks Association.



GREENPEACE



1. Climate Change

One step forward....

Discrete projects aimed at raising awareness of climate change and reducing greenhouse gases have, overall, been innovative and steps in the right direction.

They have included:

- Victorian Renewable Energy Target
 - 10% by 2016 – original commitment was 10% by 2010 at the 2002 election
 - The only state to introduce a mandatory renewable energy target scheme after the federal government failure to give its Mandatory Renewable Energy Target a new lease of life
- Black Balloons advertising campaign
 - Educated Victorians about where greenhouse pollution comes from, and how they can help by reducing their energy use
- Victorian Green Power campaign
 - Contributed to raising customer levels from 42,000 to 100,000
- Geothermal Energy Resources Act
 - Introduced legislation to facilitate the harnessing of this energy resource
- Mandatory Environment and Resource Efficiency Plans for the State's 250 biggest energy and water users
- Smart meters provided to two million Victorian households
- Funding of the:
 - Solar hot water rebate
 - Renewable Energy Support Fund (\$12.35 million)
 - Green communities – including Solar Cities (\$4 million)
 - Research centre for climate change adaptation
- Emissions Trading Scheme between the state governments
 - Victoria has taken a leadership role
 - The scheme is at least 3 years away from being implemented
- Greenhouse reporting through the National Pollutant Inventory
 - Lead by Victoria
 - The proposal has not yet been approved

Two steps back...

Broader, whole-of-government decisions however, have not adequately considered climate change costs and impacts.

The decision to allow Australia's dirtiest power station, Hazelwood, to expand and continue operating until at least 2031 is a prime example. Hazelwood emits 17.7 million tonnes of greenhouse pollution each year. Scientists tell us we must

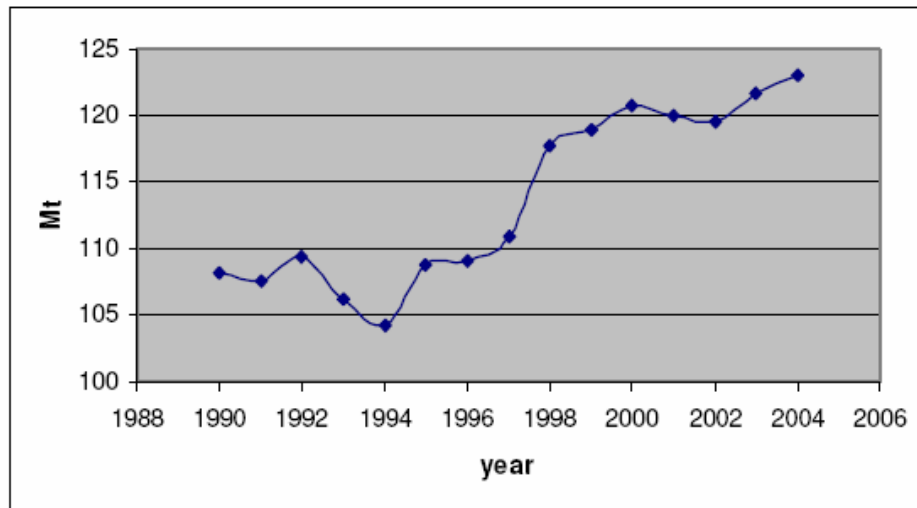
start making deep cuts in our emissions now, yet the state is now locked into on-going pollution from an out-dated and inefficient power station.

In addition the terms of Hazelwood's "Greenhouse Gas Reduction Deed" are appalling:

- The greenhouse emissions cap set by the Government will allow Hazelwood to continue producing existing levels of greenhouse pollution until 2030
- The 'reduction targets' within the deed are not enforceable
- The deed mandates that the Victorian Government consider Hazelwood's interests in any future pollution regulation, including the possibility of special financial compensation for any new regulations

The Hazelwood decision obliterated the savings achieved in discrete greenhouse projects.

Figure 1 Trends in Victoria's total greenhouse gas emissions (including land use, land use change and forestry) – 1990 to 2004



Ultimately, the best way to judge a Government's performance on climate change is by looking at the total greenhouse gas emissions. The graph above shows that Victoria's emissions have continued to rise, and we've a lot of work to do if we are to achieve the cuts we need to, in order to preserve our quality of life.

2. Water and Rivers

One third of Victoria's rivers are in poor condition, or worse; two-thirds of wetlands have dried out or are being degraded. The Murray River is suffering its lowest flows on record. Vast areas of the Murray River floodplains are dying and in desperate need of renewal.

Environment groups acknowledge the significant progress Victoria has made on water reform, through the Our Water Our Future White Paper, including \$100 million of Our Water Our Future funding going towards protecting and repairing the health of Victoria's rivers and aquifers.

Major successes include:

- A more flexible water market, which now separates water shares from land
- A strong commitment to work in partnership with NSW, SA, the ACT and Australian Governments to return 500 GL to the Murray River by 2009
- Maximising the benefits of the Barmah-Millewa Environmental Water Allocation within the Barmah Forest and other downstream red gum forest wetlands in late 2005
- Security for the \$650 million tourism industry in the Murray River and Gippsland Lakes regions, as waterway health is restored
- Establishment of Environmental Water Reserves in legislation to legally recognise the environment's share of water in rivers and aquifers
- Large scale river restoration projects including the return of water to the Thomson and Macalister Rivers
- Victoria played a major part in brokering an intergovernmental agreement between Victoria, New South Wales and the Commonwealth Government that will return 21 per cent of the original flow to the snowey River by 2011
- Establishment of urban water pricing that begins to reward water conservation and generates revenue for river health programs
- Strong emphasis on water conservation and behaviour change initiatives in the draft Central Region Sustainable Water Strategy to secure water for Melbourne
- Development of urban water saving and recycling targets

While progress has been encouraging there are a number of key outstanding issues in relation to the Murray and logging in water catchments.

Living Murray

In 2004/5 the Victorian irrigation industries extracted 2,411GL (gigalitres) of water from the Murray River System - five times as much water used by the 3.5 million residents of Melbourne in the same year.

In terms of recovery of water for the River Murray, under the Living Murray Initiative, Victoria is required to return 214GL of water by mid 2009. Victoria has

identified 170GL to be returned to the River Murray, and proposals to secure the remaining 44GL via irrigation infrastructure efficiencies are now being considered.

The Victorian Government has been reluctant to enter the market and purchase water for environmental purposes (though water has been purchased for urban water and irrigation water supply), instead an emphasis has been placed on infrastructure investment.

The Murray is still dying. It is our view that further water recovery is required to return Victoria's rivers to health, and we would like to see Victoria taking a lead in working with other states and the Commonwealth to ensure enough water (at least 1,500 billion litres annually) is recovered to make the Murray River system healthy. We believe there are short term opportunities in the proposed Sustainable Water Strategy for Northern Region to demonstrate this leadership, through an emphasis on the recovery of water for the environment.

Environment groups are deeply concerned about the decision made by the Bracks Government to withhold environmental flows for the Wimmera River. This is likely to weaken the legal rights of the river systems to water.

Environment groups also note that the recent water planning for the greater Melbourne, Ballarat and Geelong region failed to provide medium and long-term water supply targets and programs for stressed and over-allocated river systems. This sets a disturbing precedent for water planning processes set to be rolled out for Victorian tributaries of the Murray River in 2009. There is no long term plan to address the stressed and over-allocated condition of the state's Murray tributaries.

Protecting Water Catchments

The Government's own reports estimate that 20,000 ML of water would be saved every year if logging was phased out in the Thomson catchments by 2020. This is enough to supply 80,000 Melbourne homes.

The State Government's 2004 Water White Paper – Securing Our Water Future Together (Action 2.21) – recognised that *“Improved water yields within catchments supplying water to Melbourne are important in securing Melbourne's water supplies”*. The White Paper committed the Government to a detailed investigation that included consideration of the phasing out of logging. Two years later results of this investigation have not been released and results are not expected until 2008.

Even 30 years after logging, stream flow is down by as much as 50 per cent on old growth. It can take around 150 years for water yield in wet eucalypt forests to return to pre-logged levels. Environment groups have identified around

623,000ha of forest in designated water supply catchments that are threatened by logging and should be protected.

Logging is currently undertaken in Melbourne Water supply catchments around the Yarra tributaries (Cement Creek, Armstrong Creek, Starvation Creek, McMahon's Creek, Tarago catchments) and Thomson catchments. An estimated 20,180 hectares of forest has been – or is destined to be – clearfell logged in Melbourne water supply catchments.

3. Land, biodiversity and forests

The Bracks Government delivered protection for the Otways forests in a major new national park, opposed the burning of native forests for electricity generation and commissioned a review of the Goolengook area in East Gippsland. But it has failed to protect old growth forests elsewhere in eastern Victoria and is allowing woodchipping of native forests and logging of water catchments to continue.

Last month environment groups released a comprehensive package - Choosing a Future for Victoria's Forests - which outlines a plan for protecting 400,000 ha of a permanent old growth forest estate, protecting endangered wildlife and water supply catchments and a plantation based orderly transition for the wood products industry.

A full assessment of River Red Gum forest conservation has commenced after considerable delays and initially narrow terms of reference. The Government's commitment to deliver new Red Gum national parks based on the outcomes of this assessment is not clear. Processes for engaging indigenous people along the Murray River in land management are weak and the Government has failed to commit to appropriate indigenous joint management of any new parks created.

Immediate measures are needed to reduce logging pressure on the already stressed Red Gum wetlands along the Murray River. Repeated breaches of logging guidelines, despite a Government-commissioned EPA audit, underline the need for improved forest management.

The Bracks Government fulfilled its promise to buy out timber licences in the forests of south-western Victoria. Improvements in planning for the protection of Red-tailed Black-cockatoo habitat on private land in the region have also been made. However, the big decisions about creating new public land national parks in the south-west have been dodged, leaving cockatoos and other threatened species vulnerable.

In the Strezlecki Ranges, negotiations over land acquisition have slowed the progress of forest conservation. The Government's commitment to protection of core habitats and linking corridors is sought here.

Damaging cattle grazing has been removed from the Alpine National Park, in a courageous and historic decision by the Government following many years of failure by its predecessors to heed the clear scientific evidence of impacts.

At Point Nepean, the State Government has publically committed to an integrated national park, and called on the Australian Government to return the Quarantine Station area to the state for national park protection.

Overall resources for national park management are below par and despite increased budget attention over recent years fall well short of what is needed to keep Victoria's parks healthy.

Statewide public land use is likely to be examined through the Government's white paper on land health and biodiversity (see below), although the scope of this process is not yet clear. Fire management is another crucial area where further research and policy development is needed.

On private land, the Bracks Government's long-standing policy of achieving a "net gain" in native bushlands has not been achieved, seriously undermining flora and fauna conservation objectives. Victoria has already lost more of its native bushland than any other state, and has the highest numbers of threatened species in the country, and better performance is required here.

The Government's recent commitment to a white paper process examining land health and biodiversity issues will provide opportunities to advance private land conservation measures, including to improve currently underfunded measures such as the "Bush Tender" program.

It is important that this initiative is properly resourced and constituted, therefore it is our firm view that the biodiversity white paper should be informed by a skill-based panel, supported by a cross departmental taskforce to ensure both a whole of government approach and to facilitate institutional innovation in delivery of measures to protect and enhance Victoria's natural assets.

The Government placed a moratorium on genetically engineered canola until April 2008.

4. Marine

The Bracks Government displayed significant leadership in establishing the Victorian marine national parks network at the end of its first term of Government. During the second term, management plans for most of the network have been finalised or are in preparation, and funding has been allocated to mapping the natural values of some of the new parks and sanctuaries. Some tailing off of initial resourcing for staffing and management for the new parks has been observed, and improvements are needed in this area.

Establishment of the Coastal Spaces program is a promising initiative, which needs to be backed with real limits on coastal ribbon development, and solid support for local government to protect coastal landscapes.

Government rightly called for a supplementary Environment Effects Statement for the environmentally risky proposal for channel deepening in Port Phillip Bay, but stopped short of a decision to protect the bay from the dredging. A decision has now been pushed beyond the election period.

The Government has wisely established strong regulatory mechanisms for domestic ballast water management to prevent the introduction of marine pest species to Victorian waters, in the face of opposition from the Australian Government and other state governments.

However, the Government has largely rested on its first-term laurels when it comes to overall protection and management of the marine environment:

- As well as a need to improve the boundaries for some existing marine national parks, there are significant marine values and sites which have yet to be properly protected in marine national parks
- Environment Conservation Council recommendations to prepare and implement ecosystem-based marine management plans for the 95% of Victorian coastal waters outside the marine reserve network have yet to be implemented, and this should be a priority
- There is also a need for better State-wide strategic planning and assessment of the health of marine and estuarine environments, with the concept of establishing a Victorian Marine Council to fill this role not yet embraced by government

5. Waste

We acknowledge the leadership the Bracks Government displayed in:

- Establishing targets for packaging reduction and recycling in the National Packaging Covenant and insisting on a mid-term review of progress towards targets. Recent amendments to the Environment Protection Act 1970 have increased the likelihood of state government prosecution of brandowners not working towards packaging reduction
- Recommending to a phase-out of plastic carry bags by 31 December 2008 and establishing the legislative power for a state ban on plastic carry bags

Waste reduction policy based on financial inducements for voluntary action by business

The Government ratified the Towards Zero Waste Strategy in 2005 with landfill reduction and diversion goals to 2014. The strategy aims to reduce the growth rate of total waste generated and halve the amount of waste going to landfill over 10 years. The strategy relies on investment in, and public subsidisation of, waste technologies which will process waste streams prior to landfill. The Government rejected using “any mandatory or regulatory requirements on Victorian business” to meet the targets.

In other words, the strategy relies on expensive end-of-pipe technology, voluntary product stewardship programs and sustainability covenants to achieve waste diversion targets.

Three of the 11 Sustainability Covenants that have been signed with the EPA since 2002 are with business associations with significant amounts of funding attached. At least \$9 million in grants has been made available to the Plastic and Chemical Industries Association (PACIA), the Victorian Chamber of Commerce and Industry (VECCI) and the Australian Industry Group (AIG) to “support improvements across the lifecycle of products and services in key industries”.

Toxic Waste

The Government’s move to increase the landfill levy for prescribed industrial waste in an effort to facilitate cleaner technology was welcomed by environment groups.

However, the Government has struggled to implement its hazardous waste policy (approved in 2000). The policy calls for soil recycling facilities to be established along with a Long Term Containment Facility for managing unavoidable hazardous waste instead of current landfilling of such waste.

At this time there is only the proposed Dutson Downs (East Gippsland) soil recycling facility that has received approval and its capacity is limited to only

some types of contaminated soil, leaving most soil still untreated and simply enclosed in plastic and buried on site.

In 2004, the Government ignored the siting guidelines proposed by its advisory committee and listed three possible sites in rural localities. These were strongly opposed by affected communities on social and environmental grounds and the Government replaced them with one site at Nowingi. The Nowingi site is considered even more inappropriate because of its high conservation status and is being vigorously opposed by both environmentalists and the local communities.

The technology proposed for the Nowingi site is a landfill in contravention of the Government's own policy. The EES for the Nowingi facility was recently completed but due to the large amount of information provided by opponents to the landfill the Government has given the EES Panel additional time to prepare its report and no decision will be made until after the election.

6. Sustainable Cities

The Bracks Government was the first Australian government to adopt five star energy standards for new residential buildings. This was followed up in the Sustainability Action Statement 2006 by an announcement that they will deliver four star environmental rating for commercial buildings and develop an environmental rating tool for residential buildings.

Current Victorian building and plumbing regulations only require that new homes have to have *either* a rainwater tank *or* a greenhouse efficient hot water system - gas or solar. This should be strengthened to include both rain tanks and greenhouse efficient hot water for new and existing homes.

Melbourne 2030 included a legislated growth boundary and green wedges. While growth boundaries were further modified via a Smart Growth process and the government has committed to establishing a Growth Areas Authority, the authority does not include a representative with environmental expertise to review Precinct Structure Plans and manage the development of growth areas on the suburban fringe.

Public transport infrastructure and services need to be expanded to appropriately service the areas within the Urban Growth Boundary to ensure it's effectiveness as a tool to constrain urban sprawl and minimize the environmental impact of increased development.

Key issues to be addressed:

Residential buildings

- Phase out energy guzzling hot water systems in favour of greenhouse efficient alternatives like gas-boosted solar hot water (current ALP commitment is only to look at this, while the South Australian Government is already implementing this for all homes where gas is available)
- Ensure all new homes have rainwater tanks and dual pipes for water recycling (instead of dams and desalinisation plants)
- Strengthen the 5 star energy efficiency program by bringing timber homes into line. (They currently have an exemption and only have to achieve a lower standard)

Commercial buildings

- The commitment to 4 star building standards should refer to the 4 star Australian Building Greenhouse Rating scheme (which is more rigorous than Greenstar) and include measures to ensure this standard is delivered through proper commissioning

Urban Growth Boundary

- Melbourne 2030 should enforce the Growth Boundary - there should be environmental and non-government organisations should be represented on the Growth Areas Advisory Board.

Public Transport

- The Transport and Livability Statement needs to be appropriately resourced to ensure that capacity issues on the existing public transport network are redressed; rail line duplications and extensions are required to resolve these issues;
- Public transport services should be scrutinised by the DOI to ensure they are competitive with the private vehicle in terms of journey time, cost and ease of access.