South Australian Government Submission to:

Productivity Commission Review of Regulatory Burden on Business – Primary Sector

1 August 2007

Contents

1. Executive Summary

The South Australian Government appreciates the opportunity to provide a submission to the Productivity Commission's annual review of regulatory burdens on business, with the focus this year on the primary sector.

Creating an environment where business can flourish is a central concern for the SA Government. This is recognised in *South Australia's Strategic Plan* (the 'Plan'), where government in consultation with the community has identified specific targets that will maintain and improve our state's economic performance.

The SA Government recognises that ensuring government regulation is as least burdensome to business as possible is integral to fostering this supportive environment. Hence, the Plan also includes the following target:

T1.8 Performance in the public sector - government decision-making: *become, by 2010, the best-performing jurisdiction in Australia in timeliness and transparency of decisions which impact the business community (and maintain that rating).*

Whilst the SA Government is committed to ensuring regulatory burdens are minimised as far as possible, it also recognises that regulation is not arbitrarily imposed on business. There is a need for a level of regulation to ensure that wider community and economic objectives can also be met.

Hence the Government is always receptive to hearing from business as to where regulation could be improved.

With these considerations in mind, the SA Government is pleased to make this submission to the Productivity Commission.

Section 2 - *Burdens on Primary Sector Business: Issues in a Regulatory Review and Reform Process*. Four issues are identified in this category. They issues are either in a process involving the SA Government (and other jurisdictions) with the Australian Government or industry is reviewing a situation where organisational change may also lead to a reduction in regulatory burden on businesses. The issues are:

1. Water Policy;
2. Environment Protection and Biodiversity Conservation;
3. The Uranium Industry Framework, and
4. Wine and Horticulture Levies.

Section 3 - *Burdens on Primary Sector Business: Areas Where Regulatory Review and Reform is Needed*. Five issues are identified in this category where federal regulation is placing an unnecessary burden on business in the primary sector. The issues are:

1. Live sheep export regulations compromising industry development;

2. The lack of legal access to chemicals for use in minor horticultural crops;
3. The lack of harmonisation of mining and exploration legislation across jurisdictions;
4. Onerous tuna industry export licence accreditation process; and
5. Import risk assessment of livestock genetic material.

Appendix 1 is included to briefly outline the SA Government's commitment to 'red tape' reduction. The benefits for business of legislative reform for the aquaculture and petroleum industries are included as examples of commitment to balanced and innovative regulatory reform.

2. Regulatory Burdens on Primary Sector Business: Issues in a Review and Reform Process

2.1 National Plan for Water Security

Discussions are underway between State and Australian Government Officials concerning the draft legislation to give effect to the National Plan for Water Security whereby the Australian Government becomes responsible for aspects of water management in the Murray-Darling Basin. A fundamental negotiating position of the South Australian Government officials is to avoid unnecessary red tape or duplication of effort arising out of this process.

2.2 Environment Protection and Biodiversity Conservation (EPBC) Act 1999 (Commonwealth)

The SA Government is currently working with the Australian Government Department for the Environment and Water Resources on a bilateral under the EPBC Act. The bilateral aims to accredit SA's major development approvals processes and should assist in reducing approvals processes for proponents (as required by COAG in February 2006).

Other opportunities for more streamlined, collaborative and strategic approaches to EPBC matters are also being encouraged as part of the recent reforms to the EPBC Act, which took effect in February 2007. These include greater Commonwealth recognition of existing State and regional processes, plans and priorities.

2.3 Uranium Industry Framework

In August 2005, the Commonwealth initiated the development of a Uranium Industry Framework (UIF) in order to identify opportunities for, and impediments to, the further development of the Australian uranium mining industry. A high-level steering group comprising an independent Chair and senior representatives from government, industry and other stakeholder organisations oversaw the development of the UIF. A report containing 20 recommendations was delivered to the Australian Government in late 2006. The recommendations addressed, among other things, regulation and transport. All recommendations were accepted. In January 2007, the steering group was replaced by another high-level group, which was drawn from government, industry and other stakeholders to implement these recommendations.

South Australia believes that the uranium mining sector will operate more efficiently if the UIF recommendations are addressed. South Australia considers that the appropriate forum through which to address these issues is the UIF implementation committee. South Australia, through PIRSA and the EPA, is actively engaged in the UIF Process. Although the implementation process is in its early phases, South Australia considers

that genuine progress is being made and is confident that the recommendations of the UIF report will be successfully implemented. South Australia does not agree with the establishment of a national regulator for the industry but considers that consistency of regulatory processes between jurisdictions is a more appropriate method of dealing with the regulation of this sector. South Australia is not averse to the establishment of a national regulatory regime for the transport of uranium, with such a regime firmly based on Australia's international treaty obligations. In regard to international treaty obligations, South Australia believes also that the current prohibition on sales of uranium to countries which have not signed the Nuclear Non-Proliferation Treaty is an essential part of the safeguards regime and should not be relaxed.

South Australia expects that the successful implementation of the UIF recommendations will lead to a more efficient regulatory regime of uranium mining and transport within Australia. South Australia further expects that implementation of the UIF recommendations will address the issues raised in the reports of the Uranium Mining, Processing and Nuclear Energy review (the Switkowski Report) and the House of Representatives Standing Committee on Industry and Resources' Inquiry into developing Australia's non-fossil fuel industry (the 2006 "Prosser Report" titled *Australia's uranium: Greenhouse friendly fuel for an energy hungry world)*.

2.4 Wine and Horticulture Levies

Issue

A variety of levies are being collected In the wine industry, and many other horticultural industries, with growers sometimes making levy payments to both the Australian and South Australian governments, as well as various wine and grapegrower organisations. In the main, these levies are directed to research at a regional, state and national level.

Background

Discussions with some SA based wine industry organisations about the number of levies being collected indicates that the regulatory burden implied by current arrangements is regarded as insignificant to businesses. To avoid unnecessary burden on independent growers, levies for state and federal jurisdictions are usually collected by the same processor, or packer.

The option of single levy collection is not seen as a satisfactory remedy by industry or the SA Government at present. Even if one jurisdiction were to conduct the collection, the reporting requirements of the South Australian Government would need to continue to be met. In particular, in the case of the wine industry, levy returns would need to record the region of origin of the grapes (not required of the Commonwealth levy returns) so that funds can be returned to the region where the grapes are grown to address the region-specific issues for which the levies are applied. There are other inconsistencies between the Commonwealth and State legislation, suggesting that complications would arise with single jurisdiction collection. The result is that the savings to business of a single-jurisdiction collection would be very small.

Possible Remedy
Informal contact with industry organisations indicates that they are firm in their view that any regulatory burden connected with wine levies is not significant. However, there appears to be some acknowledgement by industry that present structural arrangements could be improved. On 28 June, 2007, The Australian Financial Review reported, that the incoming President of the Winemakers' Federation of Australia (WFA), Mr David Clarke plans

> "a review of the various organisations that monitor the industry…The industry has lots of organisations. There may well be duplication between organisations. This is what is being looked at."

Any rationalisation of organisations that may emerge from the WFA review may also result in a rationalisation of the number of levies being collected. In turn, this could reduce the regulatory burden attached to the present situation, though this is currently regarded as insignificant. Hence its inclusion in this section as an issue under review, rather than an issue where there is a clear case of burden on business that can be remedied.

Perspective

Industry members have described the Business Activity Statements (BAS) of the Commonwealth as unnecessarily burdensome. The Grape and Wine and Horticultural Groups are not aware of any other "unnecessarily burdensome" regulations imposed on the industry by the Australian Government. Discussion with industry members suggest that they are satisfied that the benefits of current regulations justify the burdens they impose. Indeed, it is not uncommon to hear calls for greater intervention, especially regarding Commonwealth regulation of water and shifts from voluntary, self-regulation of environmental matters to mandatory, government-administered schemes.

3. Burdens on Primary Sector Business: Issues Where Regulatory Review and Reform is Needed

3.1 Live Sheep Export Regulations Compromising Industry Development

Issue
Live sheep exporters are experiencing unnecessary regulatory burdens to achieve the desired balance of sheep welfare checks and efficient business process to enable industry recovery and development. Department of Agriculture, Fisheries and Forestry (DAFF) Policy Division sets the Live Sheep Export Standards with the assistance of the Live Export Standards Advisory Committee (LESAC).

Background
The "MV Cormo Express" live sheep unloading crisis during 2003 required urgent action to ensure, so far as possible, that it could not be repeated. Changes were made that purportedly lifted the standard of sheep welfare.

There is no clear evidence that these changes have indeed improved the welfare of sheep in the live export chain (see Figure 2 below). In so doing, unfortunately, the trade and the industry have suffered significantly. The trade has suffered to the extent that significantly fewer ships come to South Australia to pick up live sheep. Some SA sheep are exported via Portland in Victoria. (see Figure 1 below).

The system now in place is perhaps at best marginally improving sheep welfare on ships to ports in the Middle East. However, it can now be seen that at least some of the regulatory burden on business is unnecessary, costly and detrimental to the trade, sheep producers and the SA economy. It is not an efficient system for the industry.

The most serious impost requires lambs and pastoral sheep exported in the May to October period to be kept in sheds rather than open yards for the five days of pre-shipment feedlotting. As there are no sheds in South Australia suitable for the purpose, this has effectively stopped export of the classes of sheep suitable for live export for that period. To construct sheds of an appropriate size would require a multi-million-dollar investment. Investment of that order is uneconomic, not likely to happen and is unnecessary on any grounds.

Present regulations are therefore an impediment to the industry's recovery in South Australia. They are an unnecessary impediment insofar as they are not grounded in any necessary animal health justification that fits the local environment. The requirements are excessive for the SA environment.

Possible Remedy

Change is needed to achieve sheep welfare without detriment to the trade and unnecessary regulatory burden on sheep production and related businesses.

National livestock exports mortality summary 2006

Most sheep exported by sea from Australia to the Middle East during 2006 were loaded at Fremantle (79.3% of all sheep, Figure 1) with smaller numbers loaded at Portland (12.1%), Adelaide (6.9%) and Devonport (1.7%).

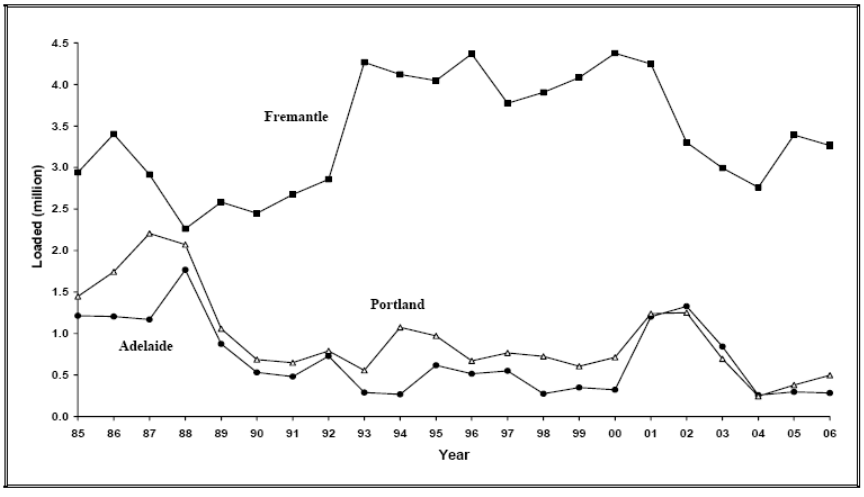

Figure 1 *Numbers of sheep exported by sea to the Middle East from Fremantle (Western Australia), Portland (Victoria) and Adelaide (South Australia) since 1985*

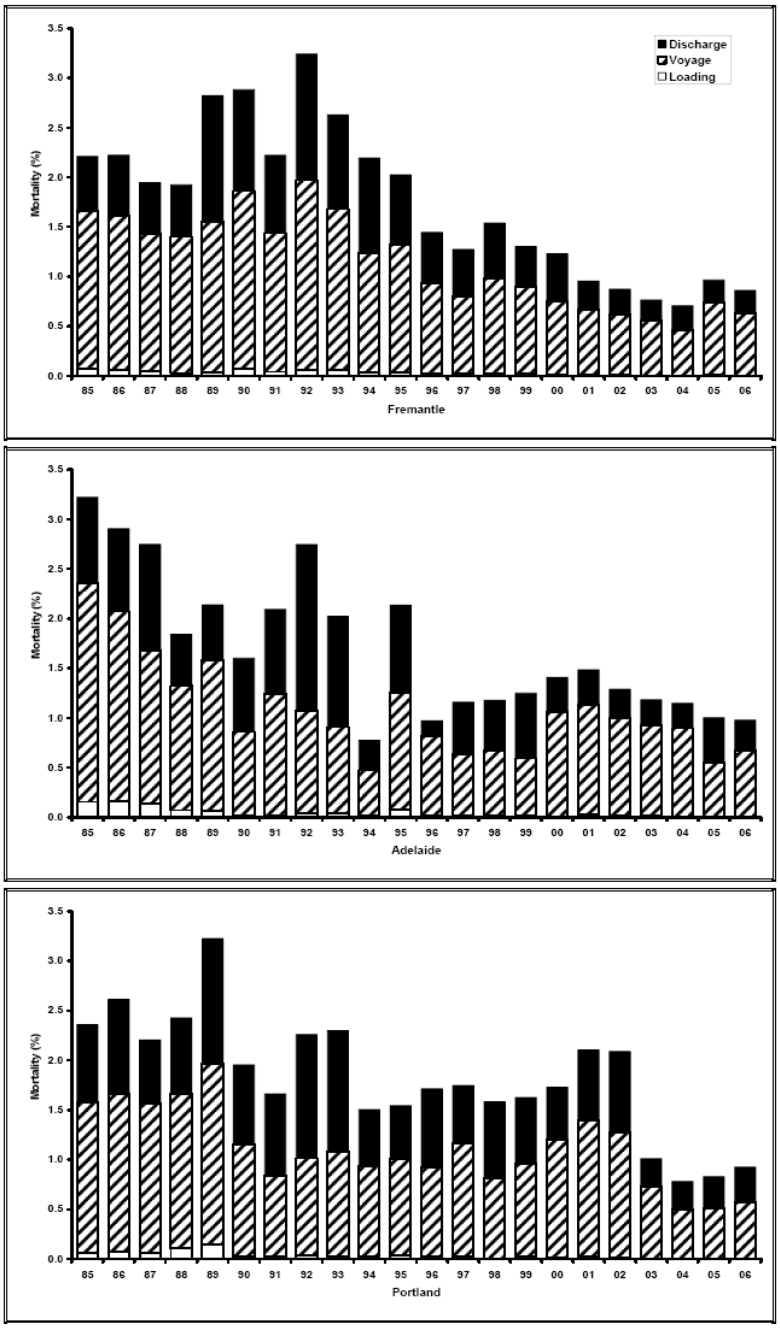

Figure 2 *Annual mortality for sheep exported from Fremantle, Adelaide and Portland to the Middle East since 1985 – figure for Fremantle excludes mortalities on the MV Cormo Express after it was rejected at Saudi Arabia in 2003*

3.2 Approval Process Blocking Legal Chemical Use in Minor Horticultural Industries

Issue Horticulturalists require legal access to a range of pesticides.

The inability of many horticulturalists, particularly in minor crops, to legally use a range of effective pesticides is an issue that was raised by the Productivity

Commission at the Adelaide meeting on 14 May 2007. Discussion that followed was noted as consistent with the message delivered in other States.

Background

Agricultural pesticides are regulated through the Australian Pesticides and Veterinary Medicines Authority (APVMA). The APVMA require detailed research data in order to register pesticides for use. Many pesticide companies choose not to register their chemicals on 'minor' crops (which includes many vegetables) due to the high cost of producing the data for crops with relatively small markets.

The APVMA can issue 'permits' on application by a third party, where full registration is not sought by the company for use on that particular crop. Consequently producers of minor horticultural crops are required to contribute relatively more to the cost of gaining access to chemicals than producers of major crops, with greater research and development resources.

In 2005, South Australia introduced the Agricultural Chemicals (Control of Use) Act, limiting legitimate uses to those on the label or available through permit. This effectively prohibited use on many minor crops, particularly in horticulture and greenhouses. A three-year exemption process was introduced to enable pesticide use to continue while a national process to apply for permits submitted applications was progressed.

For a number of years, Horticulture Australia Limited (HAL) has been involved in programs to generate data to enable permits to be issued. For a number of reasons the programs stalled. For the last three years the HAL project progressed the permit application process to APVMA. This has identified a range of pesticides for which permits should be pursued.

The SA Government has facilitated a number of meetings between the horticulture industry and APVMA to progress the application process. The majority of work to date has consisted of clarifying and refining a list of pesticides for which permits should be progressed.

To date, a list of pesticides where a desktop application process is possible has been developed. However, a contract to do this work, or resources to do it, has not yet been assigned. All agencies (HAL, APVMA, SA Government and Grower Organisations) have been working within their current capabilities. However, an acceleration of the process is desirable.

The APVMA role is limited to providing guidance to applicants and processing applications in a timely manner. It is not within its charter to drive the process. The HAL project is severely limited by its funding base and would benefit from a significant injection of funds in the short term.

Possible actions

- Investigation of incentives for pesticide companies to register pesticides for more crops.

- Allocation of additional resources to clear the backlog.

- Identification of a process for new permit applications (to prevent new uses or new crops from becoming another backlog in themselves).

3.3 Opportunity for Greater Consistency and Transparency in Mining and Petroleum Resources Industries Native Title Regulation

Issue

Need for greater transparency across the Australian mineral and petroleum resources industries with respect to the outcomes of negotiations undertaken under the Commonwealth Native Title Act.

Background

South Australia, to facilitate such transparency across the petroleum industry in South Australia, has since 2001 made publicly available all Native Title Land Access Agreements (AA) negotiated under the Commonwealth Native Title Act. This practice however has not been adopted consistently across all Australian jurisdictions.

Proposed Remedy

Consideration could be given to following the South Australian model for all Native Title land access agreements established under the Commonwealth Native Title Act.

Issue

Need to reduce unnecessary “red-tape” in project approval processes. A “one-window-to-government” is considered desirable for this purpose.

Background

South Australian experience under the mining and petroleum Acts has demonstrated that multiple agency objectives and requirements can be efficiently and effectively addressed through a single agency point of contact. For example, since about 2002 through signed Administrative Arrangements with DEH, EPA and Planning SA, PIRSA has established a one-window-to-government for the mineral and petroleum resource industries. Through these arrangements, all issues of concern or interest to the various relevant state agencies are addressed and channeled through PIRSA single point approval processes.

The success of these arrangements hinges on the specific approval provisions under the relevant mining/petroleum Acts. For example, under the Petroleum Act 2000, the provisions described under section 2.3 of this paper deliver the “one-window-to-government” model.

This model has been widely recognized and support across Australia by both governments and industry as a best practice model. This was recently acknowledged at the 2007 APPEA conference in Adelaide (see section 2.3).

Failure to have this model adopted Australia-wide has led to industry frustration in relation to potentially costly inefficiencies in carrying out business across the various Australian jurisdictions.

Proposed Remedy

Consideration could be given to adopting the "one-window-to-government" model across all Australian jurisdictions, similar to the arrangements in South Australia.

3.4 Onerous Tuna Industry Export Licence Accreditation

Issue
In recent years Southern Bluefin Tuna (SBT) Industry fishers have experienced an unnecessary, onerous and complex export accreditation process.

Background
Export accreditation is critical to all SBT fisher businesses. Without accreditation the business is terminated. The export accreditation risk has arisen in the context of the strategic fisheries assessments under the Environment Protection and Biodiversity Conservation (EPBC) Act 1999.

SBT export business people are required to satisfy ecological sustainability credentials in what is a globally exploited fish stock. Groups representing environment interests have been appealing the Federal Minister's decisions to accredit the fishery. Approvals have been challenged in the Federal Court. Satisfying due process in the court has been onerous, complex and costly to the industry and its participants.

The issue was resolved in favour of the fisher businesses in the most recent saga. It is likely to arise again in several years with another round of assessment and auditing to confirm compliance with the EPBC Act. The revision of sustainable fisheries guidelines has been a welcome advance to minimise 'red tape.' However, the Act in its present form may not be the best way to achieve the sought outcomes.

Possible Remedy
The SAG supports the objectives of the EPBC Act. However, the present process involves unnecessary regulatory burden, resulting in a high stakes situation for SBT business people. Nor is the present protracted and costly process necessarily achieving a better outcome for this global fishery. This submission is unable to define precisely the best remedy. However, amending the guidelines falls short of resolving the fears and frustrations of business people in an industry that is important to the SA economy.

The South Australian Government further believes in this regard that listing SBT under the Convention on International Trade in Endangered Species (CITES), as is urged in some quarters, would exacerbate the problem, by imposing even more onerous and inflexible regulation on trade. The Convention for the Conservation of Southern Bluefin Tuna (CCSBT), which sets fishing quotas for Southern Bluefin Tuna and progresses conservation and stock management of the species, provides a perfectly adequate international framework for ensuring the ecological sustainability of the global SBT fishery, without the complication of further treaty-based regulation.

3.5 Import Risk Assessment of Livestock Genetic Material Compromising Industry Development

Issue

There appears to be a resource and prioritisation problem within Biosecurity Australia (BA). BA claim a large backlog of work is preventing them from undertaking an Import Risk Assessment (IRA) process to import cattle embryos from South Africa. In the absence of such an IRA no cattle genetic material can be imported from there.

Background

While there is undeniably significant regulation in the area of bio-security (quarantine), with restrictions and prohibitions on the import of many products, South Australia believes that overall the system is appropriate and works well. It provides necessary protection against the entry into Australia of pests and diseases from overseas which could do irreparable damage to Australia's environment and primary industry. Decisions on bio-security are science-based, and supported by rigorous risk analysis.

Australia's bio-security regulatory regime system is therefore, despite occasional criticism from trade partners, entirely consistent with Australia's international obligations. South Australia believes that no good purpose would be served by its close examination by the Productivity Commission in the current review.

There may however be one or two implementation issues in the working of the IRA process. This was reformed several years ago to separate trade development and defence of Australian primary industries against disease. The system is working well for bio-security but it can be detrimental to business in the trade development area.

An example is the absence of an IRA in regard to importing cattle embryos from South Africa. Some significant stakeholders in the SA beef industry would welcome the chance to improve the productivity and disease resistance of their stock by importing genetic material from South Africa. In the absence of an IRA for the import of cattle embryos from South Africa, however, no cattle genetic material can be imported from there.

Possible Remedy

As noted above, the SA Government strongly believes that Australia's bio-security system should not be compromised. However, it also believes it would be possible for Bio-security Australia to uphold biosecurity standards in a way that better accommodates beef business and industry development opportunities.

Appendix 1

1. SA Government Initiatives for Regulatory Efficacy and Efficiency Relevant to Primary Sector Business

1.1 SA Government Programme to Reduce 'Red Tape'

On 5 March 2006, Premier Mike Rann made a public commitment that the SA Government will reduce State Government 'red tape' by at least 25% and markedly reduced business compliance costs by July 2008.

The Competitiveness Council was established in June 2006 to identify, develop and champion practical initiatives to enhance South Australia's competitiveness, both nationally and internationally. In the first instance, the Council is focussing its attention on State Government achieving its red tape reduction target.

Since August 2006, the Commonwealth Government's Business Cost Calculator has been mandated for use in assessing all regulatory proposals with an impact on business. Sign-off by the Department of Trade and Economic Development (DTED) is required on the assessment of the business compliance costs associated with regulatory and other proposals.

Where the regulatory impact is significant, a Regulatory Impact Statement (RIS) must be attached to the submission. Options for publishing RISs are currently being considered within the South Australian Government.

As part of its program to identify practical steps the government can take to reduce unnecessary regulatory burden the Competitiveness Council has requested that all State Government agencies develop and implement a plan to demonstrably reduce red tape to meet the target of July 2008. Plans are expected to clearly identify objectives, timeframes and measurable outcomes, including the cost savings to business in terms of reductions in time or cost, for each initiative within the plan. Ideally the business cost calculator should be used to calculate cost savings.

The Council is also conducting a rolling series of industry reviews to inform the agency plans, which involves consultation with industry to identify practical steps the government can take to reduce unnecessary regulatory burdens on business and inform the agency plans. The aim is to uncover unnecessary or burdensome compliance rules that can be changed or improved to increase the productivity and competitiveness of businesses.

The initial five industries targeted for review are: cafés and restaurants; motor vehicle retailing and services; building construction; fishing and aquaculture; and heavy vehicle road transport. Although the focus of the reviews is on reducing the burden of State Government red tape, the reviews include an assessment of regulatory requirements by the

Commonwealth that are a duplication of requirements by the State Government and have inevitably identified Commonwealth issues.

The third element of the Competitiveness Council's program to achieve the 25% reduction in red tape is the Permits and Licensing Project. This is part of a whole of government initiative to create a single gateway to government for business.

1.2 Legislative Reform Case Study 1: Aquaculture

Since the inception of the *Aquaculture Act 2001*, it has been widely recognised as a framework that provides industry and other stakeholders with confidence, transparency and certainty in respect of aquaculture zoning, assessment and ongoing management.

A key objective of the *Aquaculture Act 2001* is to ensure the ecologically sustainable development of the aquaculture industry. However, the objective of ecologically sustainable development is meaningless without the appropriate management tools.

The ecologically sustainable development of the aquaculture industry is achieved by implementing an adaptive management regime. PIRSA Aquaculture utilises provisions of the Act to develop policies, plans, licence conditions and regulations, all of which form the framework required to ensure ecological sustainability.

In February 2004, the Australian Government Productivity Commission (PC) published a research paper, titled *Assessing Environmental Regulatory Arrangements for Aquaculture*, which examined regulatory arrangements for aquaculture in all States of Australia.

Throughout the PC report the efficiencies of dedicated aquaculture legislation were emphasised, with South Australia remaining the only state in Australia with such legislation.

The other key areas where South Australia was cited as having particular benefits or leading the other states included:

- South Australia was recognised as one of only two States having a statutory based marine planning regime;

- The Productivity Commission supported the approach taken by South Australia with regard to marine aquaculture planning and zoning;

- The importance of marine aquaculture lease tenure was identified as being a critical part of future industry development. Again, this approach has been adopted by South Australia to ensure security for the industry's development;

- To streamline the licensing and leasing process the Productivity Commission report, on a number of occasions, recommended the need for one licensing system and reducing the number of agencies involved in the approvals process. This point is a fundamental objective of the *Aquaculture Act 2001*, integrating Environment Protection Authority (EPA) approval into one licence issued by PIRSA Aquaculture.

The PC went on to say there is potential for greater use of innovative policy instruments to complement (or in some cases replace) existing regulatory and administrative controls. South Australia's *Innovative Solutions for Aquaculture Planning and Management* suite of projects, being conducted by PIRSA in conjunction with the Fisheries Research and Development Corporation (FRDC) will provide valuable information on which to base decisions about future management controls to underpin the future growth and development of marine based aquaculture.

Following completion of the Productivity Commission Research Paper, it was evident to the Aquaculture Committee advising the Primary Industries Ministerial Council (PIMC) that arrangements varied widely between jurisdictions. This was recognised to have the potential to stifle industry growth and result in inconsistent decision making on important planning and management issues, particularly those relating to a public resource (in the case of the marine environment).

As a result, a *Best Practice Framework of Regulatory Arrangements for Aquaculture in Australia* was prepared and endorsed by all jurisdictions. PIRSA Aquaculture was instrumental in developing this paper, which recommended a planning and management approach dealing with issues ranging from a sound policy and legislative base, zoning in areas appropriate for various classes of aquaculture through to assessment processes that provide consistency and transparency in decision making, all of which are consistent with the scheme of the Aquaculture Act.

PIRSA Aquaculture is concerned that the Australian Government National Pollutant Inventory (NPI) draft variation proposal to remove the current reporting exemption for aquaculture will add unnecessary regulatory burden to the aquaculture industry. The Federal Minister for Fisheries, Forestry and Conservation, Senator the Hon Eric Abetz, does not support the inclusion of aquaculture in the Inventory:

> My main concerns are that the proposed variation conflicts with the Government's previous commitments to streamline regulation of the aquaculture industry."

1.3 Legislative Reform Case Study 2: Petroleum

The *Petroleum Act 2000* requires consultation with all relevant stakeholders to ensure that their concerns are addressed under the Act. The key approval document, the Statement of Environmental Objectives (SEO) addresses issues prior to approval of all activities regulated under

stakeholder requirements as environmental objectives and assessment criteria. The approved SEO becomes the enforceable regulatory document for the activity.

The Act requires consultation with relevant government agencies in the SEO approval process. Memoranda of Understanding (MoU) and Administrative Arrangements (AA) have been established with a number of other agencies to manage the consultation process in an efficient and practical manner to ensure that particular agency issues are addressed. Formal arrangements have been established with the Department for Environment and Heritage (DEH), Planning SA and the Environment Protection Authority (EPA). A working arrangement is also in place with the Department of Water, Land and Biodiversity Conservation (DWLBC). An arrangement is currently being established with Safework SA to ensure that requirements under the Dangerous Substance and Major Hazard Facilities Bill will be efficiently managed.

The effectiveness of these agreements has promoted confidence between agencies so that PIRSA is trusted to administer regulatory requirements on behalf of the other agencies through one-window to government. This has reduced unnecessary red tape and effort for both industry and government.

These agreements are continually open for review. Where practical experience identifies areas for improvement, these are addressed with the co-regulatory agencies. This demonstrates that PIRSA and its co-regulatory agencies have been pro-actively implementing a best practice approach ahead of the current reform initiatives for improving government efficiencies. In South Australia, petroleum, gas storage (geo-sequestration), transmission pipeline and geothermal exploration and development activities are regulated under the *Petroleum Act 2000* (the Act).

Through its underpinning principles of openness and transparency, the Act has established and seeks to maintain the trust and confidence of other co-regulatory agencies so as to maintain the efficient and effective one-window-to-government for these industries in South Australia. This one-window-to-government is widely recognised across Australia by both governments and industry as a highly desirable attribute for reducing unnecessary and costly red-tape making South Australia a highly regarded and preferred place for doing business in these sectors.

In the closing address at the 2007 APPEA Conference in Adelaide, Australian Petroleum Production and Exploration Association (APPEA) Chief Executive, Belinda Robinson, stated that Australia's upstream petroleum industry consider PIRSA to be model regulators, saying that South Australia's approach to land access especially in the context of native title, ensures a process that accommodates a conjunctive right to explore and develop oil and gas resources. Though these are not necessarily unique in Australia, APPEA recognise that they have certainly been tried and tested extensively in SA and are now leading the way for the rest of the nation. APPEA also acknowledged that PIRSA has recognised the need for a streamlined regulatory process and

that PIRSA people work very hard and effectively at providing approvals in an expeditious and efficient manner.