29 April 1999

ESD Inquiry
Productivity Commission
LB2 Collins Street East
Melbourne VIC 8003

Thank you for the opportunity to comment on the Productivity Commission’s Draft Report on the Implementation of Ecologically Sustainable Development by Commonwealth Departments and Agencies.

Please find attached the Environmental Protection Agency’s comments on the Draft Report.

Yours sincerely,

Barry Carbon
Director-General

The draft report highlights a range of issues that are relevant to all levels of government in Australia. All departments and agencies have a contribution to make to the attainment of ecologically sustainable development [ESD], and it is important that ESD is an integral component of government decision-making rather than a last minute consideration.

The Commission makes two important findings in this regard. These are that "there is a lack of clarity regarding what ESD means for government policy" and that the National Strategy for ESD "provides limited guidance on how decision makers are to integrate economic, environmental and social considerations in developing policies and programs".

There is a need for clear definitions, appropriate objectives and desired outcomes for ESD, and verifiable performance indicators to measure compliance with those objectives. In addition, there may be merit in surveying the clients of government agencies to determine how well ESD has been implemented in service arrangements.

It might be useful to develop Chapter 16 of the National Strategy, which deals with the inclusion of ESD principles in policy formulation processes, further so that it provides practical guidance on the integration of environmental, economic and social considerations in government decision-making. The Commonwealth could also structure its policies and programs to assist the efforts of state and local governments to implement ESD.

Draft recommendation 7.5 of the report flags the development of a framework to "enable comparisons of the effectiveness and efficiency of Commonwealth, State and Territory policies and programs in ESD related areas". This is useful but would need to be carefully negotiated to fit into systems already in place. For example Section 4 of the Queensland Environmental Protection Act 1994 provides that environmental protection is to be achieved through an integrated management program that is consistent with ESD. This cyclical program establishes the state of the environment, defines environmental objectives, develops and implements effective environmental strategies which are integrated into efficient resource management, evaluates the efficiency and effectiveness of those strategies, and reports publicly on the state of the environment.

Consistency with existing systems could perhaps be achieved through the proposed voluntary code of ESD. A logical approach may be to adapt and enhance the existing National Strategy for ESD. Before such a code is developed, however, consideration needs to be given to the purpose of the code, what it can realistically be expected to
achieve, and how it might subsequently be reviewed and modified.

The draft report canvasses the establishment of an independent Commonwealth Commission for Sustainable Development [CSD]. A CSD can play an important flagship role for ESD, and indeed the current Queensland Government has undertaken to establish a CSD in this State. Before a CSD is established, however, careful consideration needs to be given to what it is intended to achieve, how it will achieve those goals, how it will relate to existing government departments and agencies with similar roles and functions, and how it can continue to facilitate ESD in a changing political environment.

The draft report raises the prospect of a duty of care for ESD, which would require departments and agencies to take all reasonable and practicable steps to minimise the adverse impacts of their policies and programs. This would require significant consultation and negotiation as it is a difficult legal concept, particularly when applied to environmental issues, and the balance required with other competing policy objectives.

In summary, the draft report provides a useful critique of the implementation of ESD by government departments and agencies. However, its analysis appears to be largely limited to process based considerations. It would be useful for subsequent investigations to examine policy outputs and outcomes. [That responsibility might be given to a Commission for Sustainable Development, should it be established.]