

Dr Neil Byron
Productivity Commission
LB 2 Collins Street east
Melbourne 8003

Dear Dr Byron

31 March 1999

Response to the draft report on ESD implementation by the Commonwealth

Thank you for the opportunity to meet on 29 March at West End; it was regrettable that we could not attract more of the considerable intellectual horsepower from our Smart Futures Group. Most of them have 'day jobs' and were unable to get away.

This submission is in response to the Productivity Commission's draft report of February 1999, *Implementation of Ecologically Sustainable Development by Commonwealth Departments and Agencies*. We found the report commendable in addressing the issues in its brief. We make a few points relating to the report, and then our comments on its findings, approach and recommendations.

On the report itself, we consider it should contain a finding as to the level of achievement --- this is a primary purpose of the report and should be quite specific. 'Mixed and variable' (p. 64) gives the amplitude, but we couldn't find about what mean. Submissions generally considered implementation to be 'poor'(p. xviii); does the Commission agree?

The report mentions some statutes where a general duty of care is created (p. 134). We recognise that it does not endeavour to set out a comprehensive list, but there are important examples in Queensland's Environmental Protection Act 1994 and the Integrated Planning Act 1997.

It is frightening that people at any management level in the Commonwealth employ can state in 1999 that ESD has nothing to do with their work. With its inclusion of social, environmental and economic dimension, ESD is, after all, the most fundamental objective of all our lives, It is also the clearest enunciation to date of the very purpose of governments, and of the 'whole-of-government' approach which is so much advocated by the Commonwealth.

There were a couple of instances where local government could have been included in 'how to do things better'; although by and large we believe many major local governments have done much more fundamental and practical ESD implementation and re-culturing / re-aligning than either Commonwealth or State Governments.

Turning now to the way forward, we fully support your mainstream approach, with some added components. The suite of:

- a statutory duty of care;
- best practice policy-making processes, including stating measurable key success factors;
- insistence on their being followed;
- incorporating ESD into Regulatory Impact Statement criteria
- annual reporting on the achievement of the quantified key success factors;
- mainstream auditing of ESD implementation and key success factors by the statutory auditor;

should bring about improvement in present poor performance.

Regarding data, we support the report's recommendation for the ABS to collect / co-ordinate and report on a standard set of ESD performance indices, preferably those now being determined following the Commonwealth's first State of the Environment Report. Wherever possible, the measurable key success factors to be incorporated into future policy formulation should be in terms of the ABS standard ESD data set, to avoid separate lengthy expensive and potentially biased data sets. We also consider that there should be easier public access to this data: perhaps cost-free to NGOs and community groups; some cost, but possibly below true cost, to commercial and quasi-commercial players.

The report identifies some good case studies of ESD. The aim now is to move from this number of isolated examples of best practice in ESD policy delivery to mainstreaming of ESD at the Commonwealth level - to ensuring active management for ESD.

Some documentation of phases of ESD (past and potential) could provide some benchmark about where ESD is up to now, a sense of continuous improvement over time based on performance areas. Phases could be constructed in terms of:

Phase 1 - Scoping and awareness phase - environmental and natural resource agencies take lead role and demonstrate a systematic approach; other Departments commence consideration of equity and ecological issues in their charter; sector action plans and master plan for ESD

Phase 2 - Investigative and planning phase - establishment of data bases, independent review and auditing mechanisms for sector and national master plan, accountabilities (duty of care), targets, specific peak projects (oceans, water, energy ... Natural Heritage Trust project)

Phase 3 - Mainstreaming ESD phase - comprehensive reporting on a national set of indicators, structural innovations (true cost pricing etc These phases could be compared in terms of progress on key policy and operational aspects e.g. investigation, planning, reporting, accountabilities, sustainability outcomes.

An outline of phases may provide some perspective on the 'poor performance to date' rating and some sense of what is critical for the next phase (i.e. the rest of your report).

The added suite of actions we propose is partly based on some of the report's proposals. As regards an 'NSES 2', the first **NSES report** contained basic action plans for action on a sectoral basis, and these have not been followed up. Continuing the mainstreaming principle (without which too many public agencies will merely continue to place ESD in a prominent position in their business plan and then happily return to business-as-usual), the Commonwealth's relevant agencies should by some specified time (Easter 2000?) be required to produce a detailed ESD implementation plan for that sectoral area.

Such plans are very unlikely to be within the ambit of just one portfolio, and will in small part assist in breaking down the compartmentalisation of departments which is so continuously destructive of integrated government.

These plans should then be reviewed by an expert team along the lines of NSES 1, engaged by the Commonwealth for this purpose. This team would be able to return the plans to the authors for improvement or completion. After such iteration, the plans and the review team's comments would go to the National ESD Advisory Council recommended in the report. They would also go to the relevant Ministers' Councils, and to the Parliament.

Thank you for the opportunity to comment on this most significant report. Improved Commonwealth implementation of ESD will need a change in the way of thinking and doing business for many (in the Commonwealth and elsewhere), but it is critical to our quality of life in the next century and beyond.

Yours sincerely

Peter Nichols for the Smart Futures Group