

# The Wilderness Society Measuring What Matters Submission

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## Introduction

The Wilderness Society is an independent, community-based, not-for-profit environmental advocacy organisation.

Our vision is to transform Australia into a society that protects, respects and connects with the natural world that sustains us. We are committed to protecting, promoting and restoring nature across the continent for the survival and ongoing evolution of life on Earth. From community based activism to national campaign strategies, we use every available platform to give nature a voice at the negotiating table and support the life that supports us all.

The Commonwealth Government, particularly through the Treasurer, has outlined an intent to explore suitable concepts and models for the measurement and reporting of wellbeing outcomes. This has been undertaken with the context that Australia is faced with overlapping and potentially conflicting crises ranging from public health, economic, climate, biodiversity and species extinction.

Government initiatives into reevaluating the methodologies for measuring economical and societal well being are welcome. Reconfiguring the approach to measuring, as well as reshaping, what is considered to be priority indicators of health and wellbeing, is long overdue. In addition to the OECD Framework, the Australian government and state and territory governments use of reports, agreements and dashboards on the indicators of well being and progress are limited in their scope and functionality.

It is time for Australia to adopt a national framework that reflects the core elements of wellbeing and progress—people and the environment. The wellbeing of all Australians and the natural ecosystems that sustain society—our life support systems—should be at the heart of any government initiatives to measure the economical and societal impacts of policy.

The following recommendations reflect some of the findings of the Samuel Review into the EPBC Act which found the Commonwealth Government is failing to assess projects on the very real risks they pose to nature and communities, it is failing to set conditions that would mitigate those risks, and it is failing to enforce and monitor whether and if companies are complying with those conditions.

Not only are current means of environmental evaluation inadequate, Community Rights across the continent are little more than an afterthought when it comes to participatory decision making, especially pertaining to issues that directly impact communities. If the government is genuine in its intent to reconfigure wellbeing indicators and means of measurement, these key factors must be addressed.



## About the Wilderness Society

The Wilderness Society is an independent environmental advocacy organisation<sup>1</sup>. We are membership-based, and we know that everyday Australians want governments to take action to protect nature and act on climate change.

Since 1976, the Wilderness Society has stood at the forefront of Australia's most historic campaigns, including the Franklin River, Fraser Island, Tasmanian Forests, James Price Point in the Kimberley and numerous World Heritage Areas.

For over 40 years, we have engaged Commonwealth and state governments to ensure Australia's natural environment is healthy, biodiverse and resilient to the growing impacts of climate change.

More recently, the Wilderness Society worked in an alliance with other environmental advocacy organisations to oppose and halt plans for deep-water drilling in the Great Australia Bight.

Together, the Wilderness Society organisations are comprised of The Wilderness Society Ltd, Western Australia, South Australia, Tasmania, Victoria, Sydney, and Newcastle with offices and Campaign Centres located across Australia. The Wilderness Society opposes the release of new offshore acreage at this time and considers that a complete rethink of the offshore acreage release process is necessary and urgent in order to ensure any form of sustainable development in the offshore marine environment in both the near term and into the decades to come.

## Principles for 'measuring what matters'

There are important principles that must underpin the development of economic policies and reporting that put people's wellbeing and genuinely ecologically sustainable development at the heart of Australia's future. The following principles should be incorporated in the development of future economic planning and budgets to ensure well being is prioritised across all economic policies.

**Ambition:** Australia should aim to be a world leader in wellbeing economics and ESD. Australians and our continent deserve it. A substantive and mature response for both (biodiversity and climate) issues is required; one that undertakes the necessary immediate no-regrets investments required, phases out the harmful subsidies and expenditure and seeks to develop a sufficient whole-of-government financing framework. Sufficiency will be determined by the level of expenditure that results in:

- The necessary emissions reduction trajectory,
- A reversal of Australia's biodiversity decline trajectory,
- The Australian political economy no longer relies upon (or its politics is harmfully influenced by) fossil fuel extraction or industries that cause biodiversity loss.

**Beyond Growth:** This must be replaced as the ultimate goal of economic activity. Instead of

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<sup>1</sup> Our organisation's purpose is protecting, promoting and restoring wilderness and natural processes across Australia for the survival and ongoing evolution of life on Earth. More information about our organisation is available at [www.wilderness.org.au](http://www.wilderness.org.au).



unsustainable exploitation of natural resources, priority must be given to protecting and investing in the ecosystems upon which economic activity depends and by changing the relationship between humans and nature, thereby creating a more harmonious and long-term approach to economic viability.

**Community Rights:** Meaningful community participation is fundamental to transparent and accountable government. The three universal environmental community rights need to be consistently embedded and implemented in Australia’s laws and policies—at all levels of government—to ensure transparency, accountability and public participation are integrated in government and corporate decision-making about the environment. If all communities across Australia are empowered with a nationally-consistent standard of strong environmental community rights, and are able to have a genuine say in decision-making, we’ll see better outcomes for the environment and for communities.

**Ecologically Sustainable Development (ESD):** Unless economic policy takes ESD seriously, a meaningful focus on wellbeing will fail. For communities to thrive, they depend upon interacting with and making a living from functioning - ideally thriving - ecosystems. The principles for ESD are already set out within the existing EPBC Act and these should serve as a guiding influence on the ways to generate and deliver improved wellbeing outcomes.

**Economies of scale:** Wellbeing-focused future economic policies and planning should do more to identify economies of scale and by fixing multiple problems with single or at least simple solutions - “two birds, one stone”. For example, transitioning away from native forestry is economically sensible and efficient but is also the country’s single most effective climate and biodiversity solution by sequestering carbon - not releasing more as well as protecting species, bushfire risk mitigation and future proofing the water cycle. .

**Economy:** The economy exists to serve society, not vice versa.

**Ecosystems:** All economic and social endeavours depend on functioning and thriving ecosystems and focus on them urgently needs to shift from the fringes to the centre of future economic development. It is the natural world that provides our food, water, air and commodities and resources that we all depend upon.

**Environment:** Tackling climate change is urgent but must be addressed in the context of one of many environmental problems that include pollution, biodiversity loss, soil erosion and so on. Solutions that simultaneously address multiple problems are inherently efficient. The climate crisis cannot be solved by fuelling the biodiversity crisis.

**Integration:** Future Australian Budgets should not be the same as Budgets in the past but with some paragraphs bolted on that address wellbeing. Future budgets must be new, different and better by virtue of placing wellbeing and genuinely ecologically sustainable development at the heart of single comprehensive budgets.

**Metrics:** Putting wellbeing and ESD at the centre of future economic planning should use the OECD metrics, as well as the Sustainable Development Goals as meaningful but foundational metrics by which Australia’s societal and environmental wellbeing can be measured against and grow in ambition over time.

**Prevention:** Preventative measures should address the underlying drivers of lack of wellbeing, as



well as solutions to improved wellbeing, as opposed to treating the symptoms caused by an economy that is not serving the interests of people and the planet.

**Time:** Planning needs to take a long-term view. Wellbeing should consider not just the wellbeing of people alive today but also that of future generations. However, taking a long-term view still allows the government to take immediate and short-term action on ending the use of fossil fuels, removing their subsidies among the many urgent issues that require addressing sooner rather than later.

**Transition:** The transition away from environmentally unsustainable practices must be urgent, ambitious, orderly, just, evidence-based, science-led and transparent. Renewable energy, sustainable agriculture and responsible forest management for example are some of the key transitions from the old economy to a new economy, that will have the greatest economic, social and environmental benefits to well-being. Renewables developments must minimise negative impacts on natural and cultural values and be grounded in just and equitable labour standards in existing communities. For example, developments should occur on previously developed or degraded lands and minimise impacts on ecosystems and water flows. Consent from relevant First Nations peoples and the support of local communities for renewables developments is vital. A national plan is required, led by the federal government to make sure nature is not unnecessarily sacrificed for renewable energy goals.

## Accurately measure public expenditure on activities that protect or harm biodiversity

Government expenditure in relation to programs or policies that benefit or negatively impact biodiversity is not holistically identified, analysed and reported. While we do, as a nation through the State of the Environment Reporting, conduct a national snapshot of overall environmental condition, we do not adequately measure policy effort or public expenditure.

The State of the Environment Report authors found it difficult to tally Commonwealth expenditure on environmental matters and impossible to tally state government expenditure.<sup>2</sup>

In budgets, at a state and Commonwealth level there is blurring of expenditure between programs and functions, and at a state level this is extreme where it is impossible to separate what, for instance, governments spend on managing national parks, versus what is spent on running, say, a Department of Planning or Department of Recreation. Additionally, a lot of state expenditure is simply funding that has flowed through from Commonwealth funds. It would therefore be double counting it to include in a national summary of conservation expenditure.

Understanding total expenditure at state and Commonwealth levels is essential for understanding the sufficiency of Australia's policy responses to protecting biodiversity. It also allows Governments and the public to better understand where cost-shifting and shirking is occurring. This is required for a mature national approach to biodiversity conservation and as part of the Commonwealth's commitments regarding the Kunming-Montreal COP agreement. We note that in

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<sup>2</sup> <https://soe.dcceew.gov.au/biodiversity/management/management-investment>



In addition to measuring public expenditure on the environment, the Commonwealth is under this agreement required to identify subsidies and programs that undermine biodiversity outcomes, in order to phase them out over time.

The Wilderness Society in its recent Budget submission recommended that the Commonwealth Government establish a “National biodiversity public funding taskforce”.

This taskforce should be responsible for investigating and scoping the quantum of public effort required to address Australia’s biodiversity decline including:

- Develop a national accounting standard and reporting framework for public financing of biodiversity activities. Currently there is no explicit measure of state and Commonwealth public funding for these activities. There is double and triple counting and considerable blurring of biodiversity and non-biodiversity expenditure.
- Conduct an independent audit of state and Commonwealth public expenditure on biodiversity using the newly developed accounting standard.
- Develop a set of definitions or criteria to identify government expenditure that negatively impacts biodiversity.
- Carry out an audit of government expenditure that negatively impacts biodiversity based on those definitions/criteria. Seek to phase out these subsidies (as per the Biodiversity COP target).
- Advise the Commonwealth Grants Commission that its current position (not to consider nature funding) in their distributional formula is archaic and wrong.
- Identify biodiversity conservation, restoration and management funding needs based on known government obligations (EPBC, World Heritage, post-Samuel Review, COP15 targets).
- Develop recommendations on how best to raise and distribute the funding required to meet the obligations identified above.

## Implement Community Rights

Incorporating a Community Rights based approach is fundamental to a successful wellbeing budget. In fact, most consultations and environmental proposals in general should include Community Rights as a basic tenet of decision making.

According to Warwick Smith, Honorary Fellow with the University of Melbourne and Policy Director for Wellbeing Economy at the Centre for Policy Development, the Government’s wellbeing budget process needs to be right “particularly if ordinary people are to be included in the process”.<sup>3</sup> Mr Smith suggests that, rather than simply accepting written submissions from the “usual suspects”, the process should be broadened “with officials going to a diverse range of communities to learn what’s important to people and places”. This requires a fundamental change in the methods of consultation, specifically listening and adapting to the needs and aspirations of these communities, rather than simply engaging communities on a process and outcome that is largely predefined.

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<sup>3</sup> Chalmers hasn't delivered a wellbeing budget, but it's a step in the right direction - <https://theconversation.com/chalmers-hasnt-delivered-a-wellbeing-budget-but-its-a-step-in-the-right-direction-192840>



Australia's current failure to properly ensure a consistent and fair approach to community participation in environmental decision-making is leaving a legacy that is harming communities, driving a wildlife extinction crisis, and allowing the destruction and degradation of Australia's globally iconic land and sea country.

The absence of strong Environmental Community Rights means that governments are able to make decisions that are harmful to the environment, contrary to pleas from the community. Instead of listening to the community, governments are influenced by corporations that profit from the destruction of the environment. It is critical that this trend is urgently reversed. Strong Environmental Community Rights will require governments to be transparent and accountable when making decisions about the environment, resulting in better outcomes for people and nature.

The core and universal Community Rights in environmental decision making are threefold:

- 1) Transparency: The right to know—the access to accurate and useful information held by authorities means that any person can access any publicly held information they need to participate in decision-making and understand the impacts of those decisions, including who will profit;
- 2) Integrity: The right to participate—have a genuine say in decision-making means communities need plenty of time to prepare and participate in decision-making, that participation can't be restricted to a select group of people, and that decision-makers must show how community views are taken into account;
- 3) Accountability: The right to challenge—access to justice for environmental decision-making means that individuals and communities have specific legal rights to get decisions reviewed or remade if the decisions have been made illegally, incorrectly or unreasonably.

The wellbeing budget should directly consider the draft Community Rights standard developed by the Environmental Defenders Office (EDO), and which has been provided to the Government as part of the EPBC Act reform currently underway. There is compelling evidence that the public is continually excluded from decisions that directly affect them and this is compounded by widespread lack of faith and trust in government. Little wonder the Albanese government promised ahead of the election to focus on “restoring trust and confidence in environmental decision-making”<sup>4</sup>.

The Measuring What Matters consultation refers to [detailed OECD indicator briefs](#) against which Australia's performance is measured. For number 10, 'Having a say in Government', the government claims that Australia's performance is better than that OECD average but that evidence simply does not support this. (We note that it says “no data is available on performance over time” and that the “data point for Australia is old (2012)”). The related indicator, number 31, 'Trust in government', is falling and appears to be on trend to fall below the OECD average. What the evidence does suggest is that Australia's lack of Community Rights is in decline and trust in government has been described as in crisis, as we outline below.

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<sup>4</sup> Cox, L. 'Labor to set up independent environmental protection agency and restore 'trust and confidence' *The Guardian*, May 20 2022

<sup>5</sup> <https://www.theguardian.com/australia-news/2022/may/20/labor-to-set-up-independent-environmental-protection-agency-and-restore-trust-and-confidence>



In 2022, the Wilderness Society engaged the EDO to conduct a comprehensive legal analysis of Community Rights in environmental decision-making across all Australian jurisdictions. The findings indicated that federal and state governments across the continent have poor Community Rights and that consultation is perfunctory at best. It also found Community Rights were adhoc, inconsistent and often contradictory, and that community consultation has made it difficult—if not impossible—for communities to meaningfully contribute and have their say on government and corporate decisions. Details are available in our report, [Who Holds The Power?](#)<sup>5</sup>

Key findings from our analysis indicate:

1. *No government in Australia has comprehensively enshrined strong Community Rights in environmental decision-making into legislation and practice.*
2. *There is no national approach to Community Rights and each jurisdiction provides for the rights to different degrees, yet overall the extent to which they are upheld is weak to limited*
3. *There is inadequate transparency and accountability in environmental decision-making across the country.*
4. *The inconsistent and patchy application of Environmental Community Rights ensures decision-making is weighted in favour of proponents and vested interests.*

These findings were particularly detrimental to the rights of First Nations communities, who have unique consent-based rights, as set out by the internationally recognised United Nations Declaration on the Rights of Indigenous Peoples, but these rights are scandalously unenforced.

The current state of Community Rights in Australia do not reflect the three core environmental Community Rights established by the Rio Declaration in 1992:

1. **The Right to Know** – access the information that authorities hold.
2. **The Right to Participate** – have a genuine say in decision-making.
3. **The Right to Challenge** – seek legal remedy if decisions are made illegally or not in the public interest.

These core Community Rights are not being upheld to a standard that ensures transparency, accountability and public participation across government and corporate decision-making in regards to the environment and need to be consistently embedded and implemented in Australia's laws and policies at all levels of government.

Research and practice around the world shows that if communities across the continent are empowered with a nationally-consistent standard of strong Environmental Community Rights, and are able to have a genuine say in decision-making, there are better outcomes for the environment and for communities—essential for wellbeing. Public participation in environmental decision-making fosters wellbeing at all levels, not only by negating the direct impacts of environmental risks, but fostering the democratic process which is paramount to a societal sense of well being.

As well as compelling evidence about the lack and need for a comprehensive overhaul to improve

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<sup>5</sup> The Wilderness Society (2022) 'Who Holds the Power? Community rights in environmental decision-making' <https://www.wilderness.org.au/images/resources/WhoHoldsThePowerReport.pdf>





Community Rights across the continent, there is also a lack of trust in government. The 2022 Edelman ‘trust barometer’ showed that nearly half (52%) of Australians don’t trust the government to do the right thing, a decline of 9%.<sup>6</sup> A PWC report found that government success depended on addressing this “trust deficit”.<sup>7</sup>

The Samuel Review into the EPBC Act<sup>8</sup> found that ‘the community and industry fundamentally don’t believe, with good reason, that decisions made under the EPBC Act can achieve the outcomes they want’ and that ‘the avenues for the community to substantively engage in decision-making are limited. Poor transparency further erodes trust.’ In addition, the review found the EPBC ‘has failed to fulfil its objectives as they relate to the role of Indigenous Australians’ and that reforms should ensure avenues for First Nations communities engagement and participation in decision-making should be adopted. Further reforms should focus on improving transparency of decision-making, including new advisory committees to build confidence decision-makers have access to the best available information.

Academic research last year identified a “collapse” in trust in Australia’s leaders and institutions.<sup>9</sup> The summary of this research said:

*“The principles of public integrity – morality and ethics, transparency, accountability and concern for the public interest – now trump security in community assessments of leadership for the greater good.*

*“Whoever forms government next week would do well to take note of community aspirations and expectations for social institutions that serve the interests of the many, not the few.”<sup>10</sup>*

Respecting Community Rights and including them in the EPBC Act amendments and all future wellbeing economic planning, research and budgets is a fundamental way to help restore trust. We encourage interdependence between the Wellbeing Budget work with the draft Community Rights standard, that is a priority for inclusion in the reformed EPBC Act.

As well as wider Community Rights, wellbeing-focused economic planning and policy is an important opportunity to listen-to and empower Traditional Owners, through land justice and economic enfranchisement. An inclusive decision-making process with regions with high numbers of First Nations communities should be prioritised. Current FPIC (Free Prior and Informed Consent) principles, put forward by the Aboriginal Heritage Action Alliance, emphasises that First Nations peoples have the right to full and effective participation at every stage of any action that may affect them directly or indirectly, that information on the likely impact of any activities must be disclosed in advance, and that the time requirements for these processes are respected and led by First Nations people. It is of vital importance that self determination is at the foundation of any wellbeing budget.

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<sup>6</sup> Trust Barometer 2022 Australia | Edelman Australia - <https://www.edelman.com.au/trust-barometer-2022-australia>

<sup>7</sup> Earning and sustaining citizen trust - <https://www.pwc.com.au/government/government-matters/earning-and-sustaining-citizen-trust.html>

<sup>8</sup> Samuel, G. (2020). Independent review of the EPBC Act – final report, p81. Department of Agriculture, Water and the Environment, Commonwealth of Australia. <https://epbcactreview.environment.gov.au/resources/final-report>

<sup>9</sup> 5 charts show how trust in Australia’s leaders and institutions has collapsed - <https://theconversation.com/5-charts-show-how-trust-in-australias-leaders-and-institutions-has-collapsed-183441>

<sup>10</sup> ibid.



## Economic-Environmental Accounts

The System of Environmental-Economic Accounting (SEEA) is an integrated accounting structure covering component accounts (for example, land, water, carbon and biodiversity), as well as accounts for ecosystem extent, condition and services, and complements the more traditional System of National Accounts (SNA), which is commonly known as the aggregate Gross Domestic Product (GDP). This SEEA accounts process is used by Costa Rica, the Netherlands, Vietnam, the UK and elsewhere. The UN developed the approach, which has also been adopted by the World Bank. The SEEA has been recommended for use by the Australian Government, and is used by a variety of agencies including the Australian Bureau of Statistics and the Government of Victoria.

Box 4.1 on page 126 of the Measuring What Matters paper is titled “What makes a good progress and well-being indicator?”. We believe that Ecologically Sustainable Development (ESD) should be added to this list. Ensuring consistency with the definition of Ecologically Sustainable Development in the EPBC Act creates congruity with existing legislation. Incorporating the EPBC definition will also mean the inclusion of important points made in the EPBC legislation. Namely:

- a) *decision-making processes should effectively integrate both long-term and short-term economic, [environmental](#), social and equitable considerations;*
- b) *if there are threats of serious or irreversible [environmental](#) damage, lack of full scientific certainty should not be used as a reason for postponing measures to prevent [environmental](#) degradation;*
- c) *the principle of intergenerational equity--that the present generation should ensure that the health, diversity and productivity of the [environment](#) is maintained or enhanced for the benefit of future generations;*
- d) *the conservation of biological diversity and ecological integrity should be a fundamental consideration in decision-making;*
- e) *improved valuation, pricing and incentive mechanisms should be promoted.*<sup>11</sup>

## The need to account for liabilities as well as assets

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<sup>11</sup> ENVIRONMENT PROTECTION AND BIODIVERSITY CONSERVATION ACT 1999 - SECT 3A Principles of ecologically sustainable development - [http://classic.austlii.edu.au/au/legis/cth/consol\\_act/epabca1999588/s3a.html](http://classic.austlii.edu.au/au/legis/cth/consol_act/epabca1999588/s3a.html)



There is no national understanding of the cumulative rehabilitation obligations currently borne by the private and public sectors. Mostly these obligations are associated with mining and offshore/onshore petroleum extraction, though not exclusively, with state governments carrying rehabilitation obligations in relation to forestry. There are also cases when unmet biodiversity approval obligations, such as offsets, would fall into this category as an unmet environmental liability

The offshore decommissioning crisis is a critical case study for this wider issue. There is around \$60 billion in decommissioning liabilities for the offshore sector which only currently seems to meet even basic commitments under legal pressure from the regulator. The financial risks are rolling up for both the taxpayer and for the environment. We believe that Treasury should review the way the current accounting standards for decommissioning hide risks in favour of the company and against the interest of the Government and taxpayer. Additionally, the Treasury should conduct a whole-of-industry assessment of decommissioning liabilities in order to better document the risks to taxpayers. This industry-wide risk should be reflected in the budget statement of risks.

## Biodiversity ‘markets’

Treasury’s [Measuring What Matters budget paper](#) refers to Australia’s comparison with OECD average for the “Red list index of threatened species” as being “worse than the OECD average and declining. This is significant for two reasons.

Firstly, because it shows that Australian society, principally through economic activity, is destroying its own environment—ecosystem processes, biodiversity, wildlife, plants and animals. This is a damning indictment of the past and current management of Australia’s environment, given the endowment of unique and irreplaceable cultural and natural values across the continent and the immense wealth and capacity that has been amassed to be able to protect, restore and monitor these values.

The value of biodiversity is not something that can be determined by economic metrics alone. It is inherently irreplaceable, incomparable and non-fungible. The holistic measures for the value of biodiversity are less mature than those found in climate or carbon reporting. But it is also significant because it is a key indicator for human wellbeing. This indicator shows irrefutably that human activities are detrimental to the ecosystems people on this continent depend upon for their wellbeing and livelihoods. Previous efforts to establish some sort of market mechanism have unequivocally had an impact on the wider political and policy framework to protect or restore nature. And those impacts are rarely fulsomely considered in the policy design. Here are some examples:

- The establishment of biodiversity offset schemes have reduced governments’ ability to draw red lines on development approval decisions - this may have actually expanded the development footprints of proposals compared to under former regimes without offsets
- The creation of expectations among industry or business sectors that seeking permission to carry out an activity (such as clearing bushland) is a process everyone has to get through but is not one where there are limits to certain activities or where there could be anything other than an approval outcome
- Treasurers and Treasury officials have reduced government environmental expenditure on



the basis that restoration and protection costs are now covered by "the market"

- Increasing environmental degradation and species extinction is met with an absence of policy responses involving improved regulation or increased expenditure—in other words, discussions of markets crowd-out the policy agenda
- Industry is able to argue it is maintaining social licence even with increasing environmental damage because a flawed 'offsetting' equation provides a veneer of respectability to their actions—in simple terms, greenwashing.

Secondly, clarification is required as to whether the specific market intervention is able to itself remain stable in the face of political influence. When in the carbon credit and biodiversity credit spaces the 'price' being paid to compensate for the damage is considered by the payer to be too high, then it occurs that the payer lobbies for a loosening in the market to screen out their participation, or to increase 'supply' to flood the market/lower the price.

The mere presence of placing market value on biodiversity may enable environmental improvement but the mechanism itself undermines all other policy tools in ways that are rarely acknowledged, i.e. without inherent and genuine interest in nature conservation as driving national conservation policy development. Ignoring this fundamental value renders any budget focused on wellbeing as artificial and tokenistic.

## Condition of Large and Intact Ecosystems Assessment

The Commonwealth should measure the condition and extent of large, intact and functioning ecosystems. It should commission an independent national assessment of the condition of Australia's native vegetation, rivers and wetlands, coasts and oceans every ten years, and as a sequel to the 2000 National Land and Water Resources Audit.

Over 20 years ago, the Australian Government funded a significant scientific undertaking to establish a baseline information set about Australia's environment, the National Land and Water Resource Audit.<sup>12</sup> The work provided a nationally consistent snapshot of the condition of Australia's native vegetation, biodiversity, rivers and soils based on the best available data at the time including through dedicated ground truthing.

There is an urgent need to carry out a new contemporary assessment to get an up to date understanding of the extent and health of Australia's large and intact ecosystems—some of which are among the most significant wilderness areas left on Earth. Given the considerable advances in remote sensing and mapping technology, a new assessment of ecosystem intactness and integrity is overdue.

We recommended these assessments should be carried out no less than ten yearly and incorporate:

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<sup>12</sup> National Land & Water Resources Audit (Program: Australia). *National Land & Water Resources Audit 1997-2002: Final Reports*. National Land and Water Resources Audit, 2004.



- ground-truthed nationally-consistent datasets on key environmental variables with a focus on disturbance/integrity, condition (supported by a National SLATS program)
- Traditional Ecological Knowledge and First Nations cultural heritage
- the identification of areas of superlative intactness (which might include a modern and updated National Wilderness Inventory,<sup>13</sup> Land Disturbance Database<sup>14</sup> and River Disturbance Index<sup>15</sup>)
- spatial data to inform High Carbon Stock<sup>16</sup> and High Conservation Value<sup>17</sup> vegetation protection, management and restoration approaches and to complement the national deforestation and ecological restoration monitoring program (outlined above)
- the identification of key areas for protection and restoration for carbon and biodiversity.

In addition, we recommend commissioning an independent national assessment of the condition of Australia's native vegetation, rivers and wetlands, coasts and oceans every ten years, and as a sequel to the 2000 National Land and Water Resources Audit. A thorough and systematic assessment of biodiversity across the continent is paramount to wellbeing, in that the wellspring of our livelihoods is borne from a healthy environment.

## National SLATS

The Commonwealth should measure the extent, and loss, of forests and bushland, continentally. There is an urgent need to implement a national deforestation and ecological restoration monitoring program based on the latest remote sensing technology that includes regular, detailed data made publicly available, and including raw GIS data, interactive maps and detailed breakdowns of vegetation extent, condition and loss by land use.

There is no complete and reliable dataset on deforestation and land clearing in Australia. In the absence of a national deforestation and land clearing dataset, the Federal government instead relies upon the National Greenhouse Gas Accounts. These accounts are designed to meet the strict international reporting requirements on greenhouse gas emissions. Yet, they are increasingly being used as a suboptimal proxy to report on all manner of environmental outcomes. They are significantly under-representing the true picture of forest and bushland destruction—for instance, the National Greenhouse Gas Accounts for 2019 reported 191,800 ha of forest loss in Queensland,<sup>18</sup> whereas Queensland's world-class Statewide Landcover and Trees Study reported vegetation

<sup>13</sup> Lesslie, Rob G., and Margaret Maslen. National wilderness inventory Australia. Australia Government Pub. Service, 1995.

<sup>14</sup> Lesslie, Rob, Richard Thackway, and Jodie Smith. A national-level Vegetation Assets, States and Transitions (VAST) dataset for Australia (version 2.0). Canberra: Bureau of Rural Sciences, 2010.

<sup>15</sup> Stein, Janet L., John A. Stein, and Henry A. Nix. "Spatial analysis of anthropogenic river disturbance at regional and continental scales: identifying the wild rivers of Australia." *Landscape and urban planning* 60.1 (2002): 1-25.

<sup>16</sup> Lyons-White, Joss, et al. "Understanding zero deforestation and the High Carbon Stock Approach in a highly forested tropical country." *Land Use Policy* 112 (2022): 105770.

<sup>17</sup> Arendran, G., et al. "A systematic review on high conservation value assessment (HCVs): Challenges and framework for future research on conservation strategy." *Science of the Total Environment* 709 (2020): 135425.

<sup>18</sup> Australian Government (2021) Activity Table 1990-2019 - LULUCF. Available at <https://ageis.climatechange.gov.au/QueryAppendixTable.aspx>



clearing of 680,688 ha.<sup>19</sup>

We strongly endorse the implementation of a national deforestation and ecological restoration monitoring program based on the latest remote sensing technology that includes regular, detailed data made publicly available, and includes raw GIS data, interactive maps and detailed breakdowns of vegetation extent, condition and loss by land use. Comprehensive and systematic analysis of environmental wellbeing promotes ecological sustainability, which is inherent to the health and wellbeing of the public.

## National Environmental Law Reform

We recommend that the Commonwealth adopt strong national environment standards including those supporting community and First Nations participation in national environment law, as recommended by the Samuel Review, and welcome the proposed establishment of an independent EPA to enforce those laws—critical for supporting effective measurement of compliance and enforcement (which as the Samuel Review showed, is severely lacking for a range of sectors and industries).

The 2020-21 Independent Review of Australia’s national environment law (the Samuel Review) found that strong national environment standards are necessary to ensure accountable, effective and outcomes-focused protection of key environmental values from destructive threats including fossil fuel expansion. The Samuel Review also found that enforcement of Australia’s national environment laws is ‘weak and ineffective’.<sup>20</sup> An independent Environment Protection Agency (EPA) is necessary to ensure fair and transparent application of these standards and laws.

New laws must:

- 1. Be effective. The priority must be reversing the environmental decline already occurring. They need to actually change the status quo.**

*The devil will be in the details, about the effectiveness of these new laws.*

- 2. Be fair. They need to apply across all sectors.**

*The commitment is promising that in principle all industries will be covered by these new laws, including the regional forest agreements (RFAs).*

- 3. Have integrity. The community must have a meaningful say in environmental decisions that affect them.**

*We need to boost community rights across these new laws. First Nations and Community and consultation standards, will be our opportunity to advocate for stronger community rights. It’s concerning that there is no access to justice for the evidence and merits review.*

- 4. Be forward-looking. Nature needs help to thrive in the future.**

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<sup>19</sup> Queensland Government (2021) 2018-19 SLATS report. Available at <https://www.qld.gov.au/environment/land/management/mapping/statewide-monitoring/slats/slats-reports/2018-19-report>

<sup>20</sup> Samuel, G (2020), Independent Review of the EPBC Act – Final Report, Department of Agriculture, Water and the Environment, Canberra, October.



*Setting strong National standards will be key to protecting our most special places and threatened species thrive into the future. Ensuring that regional planning is grounded in conservation and recovery planning will be essential, and limiting the use of offsets, will also be key.*

## Conclusion

An approach to measuring what matters, particularly with regards to the environment, is not new, though it remains outstanding, and urgent. Bob Hawke once tried to integrate environmental matters into economic assessments but this was short-lived and quickly abandoned by the Treasury when Hawke was replaced by Keating. That Prime Ministerial change<sup>21</sup> was directly related to Hawke's efforts to bring the environment and heritage in the heart of Government decision-making with the Resource Assessment Condition and the Coronation Hill mine.

Immediately prior to this Bob Hawke gave a persuasive speech<sup>22</sup> about how his government was going to approach integrating environmental and economic concerns, and specifically where environmental economics was a useful tool and where it was more important to consider more e intangible elements. Hawke said,

*“We can't expect economics to supply the whole solution to our environmental problems, even the enlarged concept of economics I have outlined this evening. Economic values are, still, mostly expressed through the mechanism of prices, and prices are not a good measure for the ethical or aesthetic values that are also tied up in any consideration of the environment.*

*There is no doubt in my mind that there are some extremely important ethical issues underlying many of the environmental disputes which we witness in our society and in the world today. The question of species preservation is an ethical issue more than an economic issue; the preservation of sacred sites, the retention of areas of natural wilderness, these are necessary actions but they cannot be easily explained or justified within the parameters of economic analysis. Price tags are not easy to pin on them.”*

This raises another question of how is the Government actually going to use the information it measures to make different decisions?

Australia has had decade after decade of declining ecosystem function and species populations. This is well documented in academic papers, government data and reports such as the State of the Environment Reports, including the most recent one, released by Minister Plibersek in July 2022. 'The health of Australia's environment is poor and has deteriorated over the past five years due to pressures of climate change, habitat loss, invasive species, pollution and mining.' and 'abrupt

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<sup>21</sup> Chan, G 'Cabinet papers 1990-91: Hawke's fight to keep mining out of Kakadu helped unseat him' *The Guardian*, Jan 1 2016 <https://www.theguardian.com/australia-news/2016/jan/01/cabinet-papers-1990-91-hawkes-fight-to-keep-mining-out-of-kakadu-helped-unseat-him>

<sup>22</sup> <https://pmtranscripts.pmc.gov.au/release/transcript-8161>



changes in some Australian ecosystems over the past five years (are) showing signs of collapse or near collapse.<sup>23</sup> But there has not yet been any significant shift in environmental policy.

A canvassing of various Cabinet minutes and decisions released from the archives suggests that Treasury has historically taken what could be said to be a pro-business/anti-environment position when it comes to whole-of-government decisions. For instance, in the Cabinet debate over the 1992 Endangered Species Bill,<sup>24</sup> Treasury argued a series of what could only be described as denialist ‘talking points’ about whether endangered species concerns were even real. At the cabinet table Treasury has argued a pro-business position against environmental proposals and it is not a great leap to suggest that the highly constrained expenditure on environmental matters is a product of Treasury attitudes over the decade.

So while it is useful to have a discussion on how we measure these sorts of things, also required is a discussion to reflect upon the role of Treasury in Australia’s currently poor environmental performance and what Treasury can do, beyond niche reports appended to the budget, to fix this.

The wellbeing of all Australians and the natural ecosystems that sustain society should be at the heart of any government initiatives to measure the economical and societal impacts of policy.

While there is great need to place a higher value on the wellbeing of the environment, there must be a focus on cultivating an appreciation and understanding of the vital role Community Rights plays in the democratic process, and a bridging of the gap between current practice and the standards required to ensure fairness, transparency and acknowledgement of First Nations communities in their right to self determination.

In addition, the relationship between individual wellbeing and environmental health must be acknowledged and significant changes and investment in how the governments assess the health of our environment is key. Governments must focus on tackling the crises that threaten the environment and its vital ecosystems including climate, biodiversity loss and the extinction crisis with both urgency and long term implementation to benefit future generations.

Genuine Ecologically Sustainable Development must take precedence over short term economic gain, using up to date data and preventative measures to address the causes of lack of wellbeing instead of treating the symptoms, while promoting a transition from an old economy to a new economy. Ultimately we must look beyond the economic viability of the environment, reshape the relationship between humans and nature and measure what really matters: the wellbeing of people and the environment—our life support system.

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<sup>23</sup> Morton, A & Readfearn, G. ‘State of the environment: shocking report shows how Australia’s land and wildlife are being destroyed’ *The Guardian*, July 19 2022  
<https://www.theguardian.com/environment/2022/jul/19/labor-says-it-wont-put-head-in-the-sand-as-it-releases-shocking-environment-report>

<sup>24</sup><https://recordsearch.naa.gov.au/SearchNRetrieve/Interface/DetailsReports/ItemDetail.aspx?Barcode=32177136&.isAv=N>