Draft State Sustainability Strategy

Comments from the State Development Portfolio

February 2003

DRAFT STATE SUSTAINABILITY STRATEGY

COMMENTS FROM THE STATE DEVELOPMENT PORTFOLIO

Executive Summary

The State Development Portfolio supports and embraces the goal of achieving the sustainable development of the State's resources. The Portfolio's agencies are responsible for facilitating the development of the State's non-rural resources for the benefit of Western Australians. Accordingly, the Portfolio considers itself a key stakeholder in the development of the draft State Sustainability Strategy.

The Portfolio generally endorses the Foundation Principles, Visions and Goals contained within the Strategy. There are, however, the following issues which should be addressed to enhance the effectiveness of the Strategy:

- *Definitions and Intent* - There is a need to clarify definitions, remove jargon and ensure consistency of terms throughout the Strategy in order to achieve broader public understanding. This is important in order to obtain greater community engagement - a critical tool in advancing sustainability that should be more strongly embedded in the Strategy. The use of 'plain English' will be a key requirement to obtaining greater public understanding and, hence, endorsement of the objectives of the Strategy. Critically, it will also clarify expectations for industry, government and community organisations which will look to the Strategy for guidance through clearly articulated statements relevant to their sector.

- *Assessment Reporting* - The informational and reporting systems related to sustainable development need to minimise the additional burden on industry, aid clarity and be based upon international best practice wherever possible. The Sustainability Assessment framework needs to be defined in clear terms and its workability demonstrated, prior to implementation, to provide certainty and strategic direction. How the framework will be applied consistently across projects, plans, policies and programs without adding undue costs is a key question that is not adequately addressed. Responsibility for implementation of the framework also requires clear delegation to the relevant agencies.

- *Determining what is Meant by Sustainability* - The Strategy needs to deliver on its aim to integrate the economic, social and environmental aspects of sustainability with equal weight, and should not downplay the economic in favour of the social and environmental. A credible Sustainability Strategy needs to be all-encompassing. Compliance costs and other economic effects need to be acknowledged, minimised, quantified and equitably distributed. Strategies must acknowledge the role of markets, technological change and Western Australia's limited ability to influence global systemic threats.

- *Implementation* - A rigorous and cost effective Implementation Plan needs to be developed to give effect to the Strategy. Industry and Government agencies are concerned with the many detailed, uncosted obligations that are recommended. Rather, an outcome-based focus should be adopted in which

Government (i.e. the Sustainability Policy Unit in collaboration with other Government agencies) works in partnership with industry and the broader community to deliver desired objectives.

The draft Strategy provides a useful discussion document but further consultation needs to be undertaken. Key stakeholders must be engaged to ensure that the Strategy is finalised and implemented in a manner that will truly achieve the sustainable development of the State's resources.

General Comments

1. The Strategy attempts to provide both an understanding of the problems and issues associated with sustainability as well as actions to address them. As outlined in the document, the problems are essentially global with the systemic threats of climate change and loss of biodiversity, further complicated by increasing population growth and per capita consumption. Accordingly, at the global scale the solutions require the adoption of significant measures, including adjustments to material consumption and redistribution of resource allocation.

2. At the local level the Strategy is a step in taking the message of sustainability from the concerned portion of the community to the community as a whole. This is important as the wider public are largely responsible for driving or determining future governance arrangements, which will guide the extent to which a sustainability framework is adopted/implemented. These actions must also be aligned with other measures such as restructuring the relative prices faced by companies and individuals making production and consumption decisions to ensure they are in keeping with the above aims.

3. In this respect, whilst the Strategy emphasises the environmental and social aspects of sustainability, it does not attempt to address the economic perspective of the issues discussed throughout the document in any significant detail, and so creates the potential for an unbalanced consideration of these issues and potential solutions.

4. In developing the definitions of sustainability, the Strategy should also recognise that there is a limit to the extent that actions can be taken to conserve energy, water, etc, this being the point where the costs associated with the conservation action outweigh the associated benefits. It must also be recognised that possibly for the next 15 to 20 years there will be practical and material limits on the use of alternative energy sources. In considering these issues it must also be acknowledged that the first task of Government is to set the conditions for economic growth, to provide the State with sufficient resources to be able to fund necessary actions for sustainability and create a community that is educated and informed about these issues. It also needs to be recognised that moving beyond the higher level common definition of sustainability each industry or community sector is likely to have their own interpretation as to the application of sustainability principles and concepts.

5. The Strategy would benefit from inclusion of discussion/definitions regarding the meaning of the various "sustainability" terms that are used throughout the document (e.g. eco efficiency, bioprospecting, green procurement, etc). It is important that if the concepts aligned with sustainability are to be adopted and embraced by the general population then they need to understand the concepts under discussion. Alternatively, a glossary of significant terms could be developed as a useful point of reference for readers of the document. (This material could be incorporated into the explanation of Sustainability Techniques – Box 6, p.33).

6.   Sustainable development commentators often refer to a fourth parameter, 'good governance', in achieving sustainability aims (as noted in the Sustainability Visions). Whilst the document gives implicit recognition to this component in terms of the Government commitment towards the development of the Strategy, a more explicit discussion of the benefits of effective governance in guiding the various efforts of industry, governments and the community towards sustainability would be useful.

7.   It must also be recognised that good governance provides the best opportunity for the achievement of social goals, economic growth and the generation of employment.

8.   Effective governance arrangements also need to ensure that decision-making reflects the views of the majority, rather than just an effectively resourced, well prepared, actively represented minority viewpoint. Part of this process relates to the need for ongoing education of the community on these issues and should be addressed within the Strategy.

9.   There is also a concern that the Strategy appears to use the WA Collaboration as a proxy for consultation with the wider community. This body is an amalgamation of special interest and lobby groups, which are not representative of the general public. Accordingly, representation from the WA Collaboration in the various partnership arrangements proposed in lieu of broader community representation and stakeholder engagement is likely to disenfranchise the wider public from this process.

10.   It is suggested that references to the Case Studies in Sustainability throughout the document should appropriately refer to the organisation or persons responsible for the initiative, most of whom were students and others not employed by the Department of Premier and Cabinet, rather than the officers from the Department of the Premier and Cabinet who prepared summaries of these activities.

11.   There is an over-emphasis within the Strategy on the opportunities which sustainability offers business (likely to be restricted to a very limited number of small businesses) and the complete lack of consideration or indeed acknowledgement of the compliance and other negative flow on effects of the proposed actions within the Strategy for small business.

Report Layout

12.   The overall layout is logical and the Strategy is comprehensive, however readers expect action numbers to align with section numbering. For example Action 3.5 Coastal Strategy is expected to be in section 3 rather than section 5. It is suggested that action numbering and section numbering be aligned in the final document.

Specific Comments on Sections of the Report

Summary

13. This section of the report mentions the declining terms of trade in agriculture but does not mention it in relation to anything else. Declining terms of trade occurs when the prices received for an industry's output falls relative to the prices paid for its inputs. Terms of trade declines have affected a range of other industries over time including forestry, mining, mineral processing and refining as well as industries in the manufacturing and services sectors.

14. Greater output at reduced costs leads to reduced prices to the benefit of society. Sustainability concerns in much of the agricultural region are not due to declining terms of trade, rather the costs and effects of environmental issues such as land clearing, soil erosion, and salinity.

15. It is suggested that the reference to declining terms of trade for agriculture should be deleted as it establishes a different frame of reference for agriculture relative to other industries and businesses.

(1). Introduction, Strategy, Visions, Goals and Principles

16. The Foundation Principles, Visions and Goals (p.28) are generally endorsed.

17. Whilst the principle, "Settlement Efficiency and Quality of Life" is recognised as being desirable, it should be redrafted. The precept it embodies is that if less is spent on energy, materials and waste, more will be available to be spent on other areas of quality of life improvements. This ignores the use of energy and materials to assist in these areas.

18. It further ignores the fact that few resources are in short supply, at least at current energy prices. If supply becomes constrained then prices will increase, creating a series of newly viable markets, such as recycling and substitution, which - with increased attention to waste by producers initiated by higher prices - acts to reduce the draw on raw materials. In latter sections the document suggests that producers and consumers are not price responsive and attempts to throw doubt on these well established principles.

19. More specifically, the principle currently uses terms such as "the earth can only adjust to a more balanced state" and "ecological footprint" that are not yet fully accepted or clearly defined. This may also presume that the natural environment is static, whereas ecosystems are dynamic. Thus the use of these phrases should at least be qualified.

20. The last of the process principles considering symbolic and iterative change should provide further explanation of these concepts, also recognising the nature and characteristics of a range of institutions and participants in society are undergoing constant change.

(2). The conceptual basis – Developing a Framework for Sustainability

21. This section of the report (p.23) should correctly note that the Global Mining Initiative was a forum for the mining industry to develop its input for consideration at the World Summit on Sustainable Development. The Mining, Minerals and Sustainable Development project was a mechanism to facilitate industry and community consultation.

22. It is also suggested that the use of statistics quoted in Box 3 (p.24) be supported by the inclusion of appropriate referencing.

What Sustainability Means

23. The points raised in this section (p.24) with respect to the difficulties in implementing sustainability, particularly the tensions between economic, environmental and social goals, are useful and supported. It is considered that greater discussion of these tensions and the recognition of the difficulties associated with the implementation of sustainability throughout the various sections of the document would be useful to gain a better understanding of the complexities behind what may at the surface appear to be relatively simple concepts of economic, social and environmental improvement.

Ethics and Sustainability

24. The inclusion of this material (p.26) in the Strategy is supported. Whilst the short discussion makes mention of the background papers prepared on ethics and sustainability, the document would benefit from a description of the significant issues and challenges arising in this important area.

(3). Sustainability and Governance

Sustainability Assessments

25. The description of the character of sustainability assessment (p.36) notes that these considerations involve making difficult decisions, working through social and economic issues in a transparent way, and finding integrated solutions where trade-offs are minimised or made non-existent where possible. The report notes that, while Government will move to establish the institutional and legislative basis for sustainability assessment, transitionary arrangements are to be put in place to allow government decisions to begin to be assessed in this way. It is considered that in order for there to be true integration in the assessment of these principles, alternative arrangements will need to be put in place to provide for one agency (calling in appropriate expertise) to assist in at least co-ordinating or at most conducting these assessments. It is also important that the development of these assessments do not compromise the primary objective of legislation, particularly in relation to statutory agencies that have a specific objective, such as the Rottnest Island Authority.

26. It is also difficult to ascertain the responsibility of the three agencies in respect of the project, plan, policy or program (PPPP) that is being assessed against the sustainability criteria (p.38). It would be expected that the agency that is responsible for the PPPP would be best placed to conduct these assessments as it will hold the most information regarding these matters (seeking advice from the other assessment agencies where required). In cases, however, where a significant project is under consideration it would normally be referred for formal environmental assessment. Accordingly, (if required) it would be appropriate that the social and economic assessments also be conducted at this time and facilitated as part of this referral process.

27. It is also important to discuss the key considerations in this area such as who will be responsible for preparing these sustainability assessments. Whilst the aims associated with these processes and procedures are desirable, practical implementation will be a significant issue. If the requirement for preparing this information is to fall on government agencies, this will require additional resources, both in the training of staff to be able to meet these requirements and in terms of additional staffing time to complete the process. This is particularly relevant with respect to gathering information about the PPPPs. To ensure that efforts towards sustainability assessment are not compromised, appropriate resourcing must be directed to this component of the process. This is not "off the shelf" information and in many cases it involves coordinating surveys and other data collection to establish baseline information. At this early stage of development of these issues and proposed arrangements, it is not possible to accurately forecast what additional resources will be required by agencies to implement these requirements.

28. In terms of the sustainability assessment of the PPPPs, the Strategy should also qualify the extent of these assessments, i.e. whether they are to focus only on the process outcomes or also on the process itself. Similarly, in terms of the evaluation of alternatives, the allocation of Government expenditure on a particular program, project or service is an issue. It must be recognised that there are many competing alternatives for these funds and so it would be inappropriate to conduct a sustainability evaluation for all of these alternatives.

29. The suggestions made in relation to the incorporation of sustainability principles into agency activities are supported. It needs to be recognised, however, that this integration will be a long-term process for all government agencies in terms of capacity building and training of staff, along with the review of existing activities and procedures. The development of guidelines in the Sustainability Code of Practice on policy formulation and sustainability assessments will be a valuable tool in this process and in assisting agencies to determine resourcing requirements in this regard.

30. In terms of the discussion on the application of sustainability principles to complex planning decisions (p.39) it must also be recognised that the use of tools such as citizens' juries and multi-criteria analysis require skilled personnel and, as such, the implementation process for the Strategy should allow appropriate resources for this to occur.

31. It should be noted that the proposed arrangements for sustainability assessments of State significant projects (p.39) would require considerable resources in order for the proposals to work effectively. At this point in time it is difficult to address issues associated with responsibilities and resourcing, as these matters will be considered in the procedures for implementation of the recommendations of Keating Review of the Approval Processes for Major Projects.

32. The discussion on the incorporation of sustainability principles into new legislation (p.40) also needs to make clear how the adoption of a commitment and comprehensive approach will occur. If new or revised legislation is to include or address sustainability principles then this must be factored in from the outset of the process.

33. The proposal that the Policy Division, Department of the Premier and Cabinet provide sustainability advice on Cabinet submissions is considered to be overly prescriptive. It should be sufficient for the matter to be simply handled through modification of the Cabinet handbook as proposed with the continued opportunity for the Department of the Premier and Cabinet (along with any agency) to provide comment on submissions through the usual Cabinet submission procedures.

34. Recommendation 1.2 to establish an Industry-Government Working Group on Sustainability Assessment has already been acted upon and the Department of Industry and Resources (DOIR) would seek to have a continued involvement in this forum. This commitment is being fulfilled within current resourcing allocations.

Institutional Change

35. The aims as outlined in this section of the Strategy are supported, in respect of development of an integrating mechanism across government to implement sustainability. The Portfolio is keen to develop a greater understanding of the resourcing and strategies that will be utilised by the Sustainability Policy Unit (SPU) of the Department of the Premier and Cabinet to facilitate this integration and the training of staff from the three Sustainability Assessment Units as proposed.

36. The Strategy could propose an important role for the SPU in convening various forums and seminars that canvas issues associated with conducting sustainability assessments. Similarly, the SPU could look towards the development of new training programs for public sector officers who will be responsible for conducting sustainability assessments. It must be recognised that given the early stage of developments of the concept there will be no "off the shelf" training courses or programs available to train staff in these areas. Similarly, there are a limited number of external consultants available with skills in these areas and accordingly they are costly to utilise.

37. Another important aspect to be considered is the requirement that all agencies develop internal forums or groups to be able to consider the issues associated with sustainability assessments. Building capacity in these areas will not occur if individuals act in isolation. It can only fully develop through the sharing of ideas, techniques and skills. The establishment of formal and informal networks across Government is therefore encouraged to allow the transfer of information.

38. In addition, the proposal to provide community education programs on sustainability should also consider the scope for building on the successful programs that are already in place, giving a broader context for the individual strategies (i.e. water conservation, recycling, workplace safety programs).

39. There is concern, however, with respect to the focus on the use of statutory processes for implementation of the Strategy. It is considered that implementation should largely be achieved through engagement of the community, industry and government alike. Whilst there will be some role for reflecting sustainability principles in the legislative framework and planning strategies, this should only be used to reinforce previous understandings and agreements reached as part of this engagement and consultation process.

Embracing Sustainability in Government Agencies

40. The initiatives relating to the development of a Sustainability Code of Practice and agency Sustainability Action Plans are supported (p.46). It is suggested that the dot point reference to community engagement plan (Box 9) could be enhanced by additional reference to the purpose of such plans (e.g. to seek the views of important stakeholders on significant issues relating to the operations of each agency).

41. It is suggested that it may be appropriate to include a recommendation for the Department of the Premier and Cabinet (Citizens and Civics Unit) to provide training to agencies on the principles in the Consulting Citizens Resource Guide. It must also be recognised that public engagement is a sensitive process that requires careful management to achieve a desirable outcome. For example, there are some situations or stages of a process in which public engagement will be inappropriate. It must also be noted that such engagement or consultation requires the use of skilled personnel.

Partnerships for Action

42. This section of the Strategy document (p.51) places significant emphasis on the development of partnership arrangements between State and Local Government. Whilst these actions are supported there is also scope for a range of other partnerships to be developed (e.g. consultation with natural resource management bodies, community groups, Chambers of Commerce). Accordingly, it is considered appropriate that this section of the report be modified, to reduce the emphasis on the role of the Local Government Association (and affiliated bodies) in sustainability.

43. This section could also explore the role of Non Government Organisations (NGOs) within the process, as they may be of assistance in promoting the cost effective implementation of the requirements of the Strategy. These organisations will have a role to play in any strategic alliances formed with local government and other groups. Consideration regarding the resourcing requirements for these partnerships should also form part of the implementation processes for the Strategy.

44. There is concern at the significant focus given to the Town Planning and Development Act being used as a tool for enabling sustainability principles and processes to be incorporated into statutory processes at the local level. DOIR considers, however, that Local Government bodies should demonstrate and implement sustainability in their responsibilities and actions. It is considered that such measures should only be utilised as a means of last resort. It needs also to be recognised that sustainability concerns relating to natural resource management, settlement issues and the community are not solely a local government concern. Accordingly, the focus of the Strategy in handling these issues needs to be broader than simply establishing a partnership between State and Local Government. Rather, for each category of issues an audit should be conducted to establish what programs, networks and forums are in place to address these matters and how these could handle sustainability matters in different areas or regions.

45. It is also suggested that Recommended Action 1.11 be modified to allow the State-Local Government Roundtable to develop strategies for improved involvement and consultation with local governments in large development projects, rather than restricting these considerations to the assessment process.

Sustainability in the Regions

46. It is considered that this section of the report (p.58) places undue emphasis on the development of the sense of place concept. There is a need to focus more on the significant economic, social and environmental issues faced by those in regional areas and consider strategies or mechanisms to address these issues. This process must be completed in close consultation with community members in order to achieve their support for any proposed action.

47. The role of local governments and Regional Development Commissions in this process as outlined in the Strategy document also requires review. The Strategy should provide the Department of Local Government and Regional Development with the responsibility for canvassing the sustainability issues faced by regional areas. This could be undertaken through the initiation of community forums or other measures which allow representation from government, industry and community bodies, along with other interested members of the public. It is likely that these forums will then self select the appropriate community, business or government leaders from within the region to take the lead on these issues.

48. Most importantly it must be recognised that the issues faced by each region are unique. Accordingly, this means that a standard approach cannot be evenly applied across all regions. It is considered that the consultation aims and principles should be established up front, whilst allowing the community itself to determine the appropriate measures to be adopted to achieve these objectives. The development of Regional Sustainability Strategies may result as a natural outcome of this process, however, the focus of recommended actions should be on the development of consultation mechanisms, rather than the direct end point of Regional Sustainability Strategies.

49. Recommendation 1.18 relating to the development of sustainable business investment tours should be deleted from this section of the Strategy document. A more appropriate recommendation would be to examine the current investment attraction tours and related initiatives co-ordinated by the State Government with a view to the pursuit of broader sustainability objectives from these initiatives. These matters would be appropriately discussed in the "Sustainability and Business" section of the document.

50. If this recommendation remains in the document then the Department of Industry and Resources would seek to have involvement in its implementation as it closely relates to other investment attraction activities that are currently underway.

Indigenous Communities and Sustainability

51. The opening statement material in this section (p.61) appears to be contradictory in referring to the adoption of an integrated social, environmental and economic perspective over numerous generations and suffering high levels of deprivation. The Strategy should refer to the fact that Indigenous populations have demonstrated the adoption of sustainability principles despite the difficulties many individuals have faced in terms of social, economic and health indicators.

52. There is also concern that the opening quote from the Department of Indigenous Affairs appears to indicate that the solution to the above difficulties lies in the identification of appropriate governance structures. This suggests that such structures are already in existence, when it may be more appropriate to work with these representatives to develop appropriate arrangements in areas such as health, housing, education, social welfare, employment and training.

53. It is considered that this section of the Strategy should be re-worded to remove the reference to "…the essential preconditions of …..substance abuse, domestic violence…" as these issues are barriers to sustainability rather than being preconditions to sustainable development.

54. The material on wealth creation should also refer to "Aboriginal peoples' spiritual and cultural heritage and ecological values..". Similarly, the fourth paragraph of the section should be reworded to move through from the micro to macro issues in relation to the circumstances faced by Aboriginal people.

55. In addressing the constraints to sustainability (page 61) it is suggested that the first point should refer to the negotiation of compromise outcomes, "win/win" solutions and the recognition that the lack of ability to change such patterns is largely based on the structuring of these relationships/law systems. Accordingly, it would be inappropriate to attempt to change these systems. In relation to the term capacity building it is also important to define what this means in the above context.

56. The second point in this section should refer to the aim of long term change to enable informed decision making processes to promote empowerment at the individual, family and community levels. The third point should refer to "an inadequate service partnership model for Indigenous social and economic development".

57. The fourth point referring to the emphasis on commercial resource use in the management of Aboriginal lands with limited consultation with Aboriginal people should be removed as it is incorrect. Similarly the fifth point noting the inability to tap the groundswell movement within WA Aboriginal communities is also incorrect as there are a number of forums/mechanisms in place to achieve this facilitation including the Commonwealth Native Title Act, development of Regional Heritage Agreements (as recommended by the Technical Taskforce on Mining Titles) and also the important work undertaken by the Aboriginal Economic Development section of the Department of Industry and Resources.

58. The references in the report to the promising opportunities from sustainability (on pages 61-62) should in the third point also refer to the work of anthropologists and archaeologists. The fourth point in this item should refer to the growth in mining and petroleum company initiatives for training and employment of Indigenous people.

59. The following material relating to work of the Government with the Aboriginal and Torres Strait Islander Commission is supported, with the suggestion that the final point should refer to the economic position rather than the wealth of Aboriginal people.

60. The recognition of the efforts of mining companies towards the training and recruitment of Aboriginal people (on p.63) is supported, however the reference to specific targets is problematic, particularly as a number of other mining companies boast significantly higher rates of aboriginal employment albeit on a lower employment base (e.g. Rewah Diamond Drilling in the Kimberley region employs 12 Aboriginal people in a total workforce of 25 persons).

61. Comments referring to the social charter of sustainability assessment should advise that companies show how they will contribute to training and employment of Indigenous people. Currently notices of intent for mining development only consider aboriginal heritage issues, although these could be extended to include training and employment opportunities.

62. The second point in the listed objectives also requires modification to clarify the reference to sustainable management of resources and whether this relates to Government funding or physical resources such as land and waters. The fourth objective also needs further definition as to what is intended by "capacity building" for Regional Indigenous Sustainability Strategies. The fifth objective also requires modification to delete the reference to governance to be replaced by "stakeholder interests in the affected land and waters". This is facilitated through instruments such as the Commonwealth Native Title Act, Aboriginal Heritage Act (WA) and the Aboriginal Land Protection Act (WA).

63. In respect of the proposed actions it is recommended that item 1.22 relating to Indigenous Cross-Cultural Awareness training be extended to all public servants rather than just those who have an involvement with Indigenous people or associated policy issues.

64. The Portfolio supports Proposed Action 1.23 on targets for Indigenous employment and it is suggested that the wording "as is occurring through the tripartite negotiation process in compliance with the Commonwealth Native Title Act 1993" be added to the end of the item.

65. Proposed Action 1.24 is also supported with the suggested rewording "Continue to work in a collaborative manner with Indigenous Western Australians to enhance housing and health programs to address their requirements."

66. The Indicators and Targets are supported with the suggestion that the third item also list some examples of these governance structures including the use of Aboriginal health specialists, etc.

Research and Development for Sustainability

67. Whilst the principles supporting the need for research and development on sustainability issues are to be encouraged, it must be recognised that duplication or replication of research efforts is not efficient. Government should fund research only under those circumstances where it can be justified in terms of public benefit considerations, and where such research is unlikely to be funded from other sources. Such funding can also be leveraged through appropriate partnerships with other funding bodies.

Sustainability Information Online

68. Proposed action 1.29 relating to the development of a "one stop shop" for sustainability information is not supported.

69. The establishment of on a "one stop shop" for sustainability information would require a substantial and ongoing allocation of resources to ensure the site contains up-to-date information, is properly marketed to users and maintained from a technical perspective. It must also be acknowledged that

web-based information sites require the identification of an interoperable framework encompassing consistent information management protocols and complementary IT systems. This is not currently the case across the State Government and would substantially add to the cost of establishing the Sustainability Online site.

70. There is also no indication in the Strategy as to what might constitute "sustainability information" or what level of access the general public would have to such information. A particular concern may be that the kind of information required for this site to be meaningful may include commercial or confidential information.

71. The experience with "one stop shop" information sites is that their usage does not always extend beyond a core group of users and they may not be the most appropriate medium to deliver this kind of information to the wider public audience. A major consideration in this respect is the general accessibility of that information, given a varying levels of infrastructure provision across the State and the requirement for training to provide members of the public with the necessary skills to access web-based information.

72. Furthermore, if members of the public wish to access Government information on a case-by-case basis, there are a range of other options available to obtain access to that information.

(4). Contributing to Global Sustainability

73. As a general comment on this section of the Strategy, it is considered that there is a need to reinforce the requirement that the adoption of sustainability principles be conducted in a manner that provides and allows for the maintenance of international competitiveness of industry participants. As a case in point the European Council meeting in Lisbon in Spring 2000 recognised business competitiveness as a key to the ability of the EU economy to provide its population with rising standards of living and high rates of employment on a sustainable basis. It warned that European environmental activism could put industry competitiveness at risk.

74. In respect of environmental and social issues it said that "serious gaps in the global framework" posed a threat to competitiveness by subjecting EU companies to "constraints that are not imposed on key competitors".

75. Similarly, WA operating in the same global economy needs to maintain and develop the competitiveness of its extractive, manufacturing, and service industry sectors with government policies aimed at enhancing the State's opportunities in this regard.

Population, Development Aid and Environmental Technology

76. In considering these aspects of the report there is a need to recognise that there is a limit to what a State of approximately 2 million people can do to

reduce population growth in a world of 6.2 billion people. The current provision of expertise, frequently funded by international agencies, is an excellent starting point, both in terms of aid provision and as a foundation for the proposed centres of excellence.

77. The implementation issues associated with these areas include the allocation of the limited available resources of the State to best effect on an international level and the role of WA in these efforts (i.e. promotion of effective governance versus individual aid efforts).

78. Western Australia is in a strong position to contribute to sustainable environment technology development that builds on the State's existing strengths – such as resources development, agricultural and telecommunications technologies.

79. WA should focus technological development efforts on areas of existing expertise and those areas of particular need and relevance to the future of the State. It is recommended that the Strategy investigates and reports on these priority areas in its final draft, for example these may include rehabilitation and restoration of mine sites and degraded lands, management of water resources – both surface and subsurface, and geological sequestration of carbon dioxide. The resources development sector in WA is already proficient in each of these areas, making them suitable candidates for further development.

80. The development of wireless telecommunications technologies is also a significant area of expertise in Western Australia, particularly in light of our own sparse geographically and demography. There are already a number of leading edge technology companies in Western Australia with an established track record of developing "next generation" technologies and exporting them to regions in similar demographic circumstances, such as southern Africa.

Maintaining our Biodiversity

81. This section of the Strategy (p.80) would benefit from a discussion of the various measures that can be utilised to assist in biodiversity conservation. These include the adding of value by creating trading or property rights over certain resources (e.g. fish and water trading rights and as suggested in the text (p.83) "especially in health"). This would also require additional material focussing on strategies for the monitoring and enforcement of these rights.

82. Other options include the consideration of strategies such as Reduced Impacts Logging (involving blocks to individual trees being felled and extracted by helicopter) in private and State forests, and wildlife enhancement and nature based tourism.

83. There should be reference to the intent of the proposed Biodiversity Conservation Act, which addresses protection of species and their ecosystems.

84. In respect of biodiversity, the creation of national parks will on the one hand protect species and their supporting ecosystems, but could preclude other land uses that can co-exist with protection of species and their habitat. It is suggested that land management areas other than national parks can provide protection and permit land uses.

85. The Strategy should clearly acknowledge that effective land use planning and management is essential to protecting Western Australia's biodiversity. Ongoing progress in such areas as land rehabilitation and habitat restoration by the resources sector should be welcomed in the Strategy.

86. It should be recognised that in some land use areas such as pastoral lands, there are ecosystems that are so degraded that without large investment, it will be impossible for them to recover. In view of this, it would seem appropriate that ecosystem management, particularly private land and lease owners, to be afforded better understanding of the ecosystem dynamics of their properties to assist prevention of land degradation.

Responding to Greenhouse and Climate Change

87. This section tends to focus on new initiatives and concepts to reduce greenhouse emissions without providing sufficient direction in dealing with present day greenhouse abatement. Incorporation of current measures into the Strategy would be valuable.

88. It is considered that greenhouse needs to be addressed holistically to achieve meaningful reductions in emissions while protecting the environment and Western Australia's standard of living. In doing so the response by Government needs to consider in a balanced way not just emissions but also resource availability – both now and into the future, international competitiveness, employment, regional development and technological development. It will reflect better on the intent of sustainability if all values are taken into consideration in the decision making process.

89. It should also be acknowledged that Western Australia emits a small proportion (0.2%) of world emissions. While WA should endeavour to reduce greenhouse emissions to the greatest extent practicable, this should not be out of proportion to the State's ability to abate emissions and maintain sustainable development. To do otherwise will likely have severe impacts on future growth of the State, which is require to maintain expected standards of living.

90. Similarly, it needs to be recognised that the State has a limited ability to impact on the overall global greenhouse position, but it should undertake a fair and reasonable share of ameliorative action. The acknowledgement within the Strategy of the efforts of the Greenhouse Taskforce to produce a strategy for emissions reduction and adaptation is supported. It is important the boundaries between the Greenhouse Strategy and the broader sustainability Strategy document be defined and maintained.

Oil Vulnerability, the Gas Transition and the Hydrogen Economy

91. The important points being made in this section of the Strategy are not initially clear. The early emphasis in this section (page 89) is on Australian and international long term oil demand and supply, along with political uncertainty. The text confuses these issues, however, by references to Western Australia having only one week of petrol supplies in WA and the longer run reduction in oil availability. Some editing may improve this.

92. This section also has a deficiency common to other areas of the Strategy in ignoring the impact of prices on behaviour. The cut off point for commodity extraction – and therefore reserve estimation – is dependant on the technological level of the day and prices.

93. The impact of rising oil prices expressed in the Strategy is related to personal transport choices, despite that the major impact would be a slowing of economic growth across the economy as it is forced to adjust to higher cost energy and mobilise the technological innovation needed to access that energy. The Strategy should briefly describe these impacts.

94. An increase in the cost of conventional oil could be offset by the increasing viability of renewables and unconventional fuels such as gas-to-liquids, coal-to-liquids, oil shale, tar sands and methane hydrates. Oil companies expect to be able to produce such unconventional fuels at a more or less constant real marginal cost for some decades to come, at sufficient quantities to sustain world demand.

95. The more important issue for Western Australia is depletion of its own conventional fuel resource base, and the likelihood of a choice between more expensive local or national substitutes or more risk-prone imported conventional fuel. Assessing the risk component is the key to making a sensible decision for the future. It should be noted that due to a difference in hydrocarbon fractions, Western Australia already imports fuel from the Middle East for transport, even as it exports unrefined petroleum to Asia.

96. Action 2.24 to establish a taskforce to examine oil vulnerability and the transition to alternative fuels is supported given the importance of fuel supplies and the issues associated with sourcing from volatile parts of the world.

97. It should, however, be noted that the Commonwealth (through the Ministerial Council on Energy) is currently undertaking a significant amount of work on matters relating to energy supply and demand scenarios. Accordingly, it is appropriate that this taskforce focus on the development of a State response to these issues. It should also be noted that the Department of Planning and Infrastructure is coordinating the development of a Transport Energy Strategy (through an inter-agency working group and steering committee) and the deliberations of the forums will have implications for these proposed actions.

98. Discussion within this section providing estimates of the scope for biodiesel and renewable energy supplying sufficient fuels for the WA transport sector would be useful (p.90).

99. Furthermore, whilst it is noted that Western Australian agriculture is oil dependant (constraint p.90), it is possibly less so than Europe where for example grain is frequently dried with hydrocarbon supplied heat along with other renewable fuel sources. With high energy prices WA may be a source of low cost food.

100. As a State of 2 million people it is also unreasonable to expect the Government to undertake world scale research into energy matters that are already (and better) funded elsewhere. The role of State Government should be to maintain a watching brief so as to be positioned to take advice and make appropriate policy decisions as they become necessary to safeguard WA living standards and security.

101. The indicators and targets (p.91) chosen for this area may need some modification. Gas and biodiesel should perhaps be considered in terms of market proportions supplied rather than absolute quantity. The relevance of middle eastern oil as an indicator needs explanation. The role of oil in the Consumer Price Index and the impact of oil or energy price changes might be a useful indicator of oil's economic impact.

(5). Sustainable Use of Natural Resources

102. This section discusses a number of significant issues in relation to the management of the State's natural resources in achieving the sustainable development of Western Australia. The Portfolio supports efforts making the best use of existing mechanisms to achieve the goals of sustainability, but cautions that mechanisms, such as Environmental Protection Plans (under the Environmental Protection Act) – if employed in this way – must be inclusive of all aspects of sustainability and not preclude responsible development of natural resources in WA. The focus of this legislation is on environmental protection interests and accordingly it should be recognised that any mechanism under it can only be part of any Sustainability Strategy for natural resource management.

Sustainable Agriculture

103. Whilst the issues raised in this section are largely outside of the scope of the State Development Portfolio, it is considered that the matters addressing sustainable agriculture cannot be addressed in isolation, but must be considered in the context of broader considerations involving land use planning, water conservation and other factors.

104. In regards to water quality, it is important that widespread introduction of perennial crops, native revegetation and riparian/riverbank zone protection and restoration are an integral part of the Strategy response to fresh water systems in agricultural areas. It is unlikely that drainage systems alone will

prove to be a feasible solution to improving water quality and limiting dryland salinity in WA.

105. In consideration of climate change and greenhouse gas emissions, it is important that ongoing effort is focussed on reducing emissions from farming practices as far as is practicable and also ensuring that the agricultural sector is able to adapt to the potential effects of climate change. It is likely that adaptation to climate change will present the greatest challenge to agricultural communities.

Sustainable Fisheries and Aquaculture

106. It is important for government to approach marine planning in an integrated way across sectors in recognition of competing uses. Greater coordination and cooperation within government can assist in achieving this. In particular, marine conservation reserves should be established to be consistent with sustainability objectives and multiple use marine conservation as outlined in the *New Horizons* policy on marine conservation and management.

107. The Strategy should also recognise the role of Commonwealth marine planning processes under Australia's Oceans Policy through Regional Marine Planning in managing fisheries and aquaculture in WA Sustainable Forestry and Plantations.

108. This section of the Strategy (p.108-110) could perhaps report on where the timber from WA forests are destined and what the impacts of reduced timber usage would be, particularly the impact on sustainability outcomes.

Sustainable Mining and Petroleum Production

109. This section requires a broad vision statement encapsulating all industries in the minerals and petroleum sectors as at present it is limited to sustainable minerals production. More references to the petroleum industry are required in the document. This section also needs to recognise that whilst the mining and petroleum industries have the same principles and desired outcomes, they have very different extraction and processing procedures.

110. Industry groups have also expressed concern at any additional regulatory overlay from sustainability adding unnecessary complication to the assessment process and increased business risk.

111. It is important that the common sustainability standards that are already in use internationally (e.g. Global Reporting Initiative/ Sustainability Standards) are appropriately recognised in the Strategy, rather than a situation where a new set of standards is established (although there will be scope for developing complementary standards).

112. It is also considered that the Strategy must give due acknowledgement to existing regulations that promote sustainable development such as the Safety Case and Environment Plan regulations for the petroleum industry.

113. The Strategy should be directed towards a focus on the fundamental principles to guide the sustainable development of minerals and petroleum extraction and production, and the recognition of existing legislation and processes that are consistent with these principles. The development of such an agreed set of fundamental principles or Code would encourage consensus within these industries, provide guidance and promote the uptake of the Strategy into existing business processes. Once the principles are in place, policies and assessment processes relating to these areas could then be considered.

114. It is suggested that the Department of Industry and Resources should be primarily responsible for developing these principles, based on those developed by the International Council on Mining and Metals (ICMM) in November 2002.

115. It should be noted that existing petroleum safety and environmental legislation provides a framework for outcomes that are consistent with the principles of sustainable development and based on industry self-regulation and continuous improvement. The objective of this legislation is to allow industry to set their own social and environmental performance targets and negotiate with government on the acceptability of these targets. Economic targets are integrated into the social and environmental acceptability decision-making process.

116. In this chapter reference is made to the "sustainable assessment process" in relation to the proposed petroleum development "Gorgon project" (page 113 – actions under way). Currently there is no formal State sustainable assessment process in WA. However, existing petroleum legislation provides a framework for sustainable development of petroleum activity. Both Petroleum Safety Case and Environment Plan regulations embody the principle of modern risk based objective regulation.

Sustainable Tourism

117. The opening quote in this section (p.115) by Lisa Clarke is unreferenced and the author is not known as a tourism expert. This does not lend credibility either to the statement or the section. A quote by a recognised expert would be more appropriate.

118. The Strategy appears to confuse the terms nature based tourism, ecotourism, and sustainable tourism. This is, however, to be understood given the findings of a recent World Tourism Organisation report on research commissioned into the perceptions of people in a number of countries regarding use of this terminology. It found that the term "ecotourism" had become so overused that people are now very cynical and see it as "green washing". The preferred international term is now "responsible tourism" to refer to all types of tourism whether in the natural or urban environments.

119. Sustainability should be a concept embraced by all tourism businesses as a bigger impact can be achieved by encouraging a large hotel chain to undertake sustainable practices than by having 50 small accommodation units adopting these practices. The greening of the entire tourism industry should be the aim of sustainability.

120. Mr Michael Rowe of the Department of the Premier and Cabinet briefed the Nature Based Tourism Advisory Committee in December 2002 regarding the comments made at a public workshop addressing sustainable tourism. It should be noted that the majority of the people attending the workshop were not from the tourism industry and these comments should be viewed accordingly.

121. The Nature Based Tourism Advisory Committee is a subcommittee of the Board of the Western Australian Tourism Commission (WATC). The Advisory Committee highlighted that the Strategy as a whole does not recognise the fact that financial decisions made elsewhere in the world by large corporations and Governments may have a greater impact on the sustainability of the country than internal Government decisions.

122. Many of the report's recommendations call for a high level of Government intervention, which is against the philosophy seeking the development of partnerships between government and the private sector to develop appropriate actions.

123. There are no measurement statements included in the report which will make it hard to implement the recommendations and measure the achievements. This matter should, however, be addressed in the implementation plan through the development of appropriate guidelines.

124. At the end of the sustainable tourism section a number of background papers are cited as references. These papers have not been subject to peer review; contain information that is erroneous; and are not of a quality or standard that is fit for referencing in a Government publication. Individuals have also been quoted without their permission, which may be viewed as being unethical.

125. The vision statement in the section (page 117) is not aligned with the State's identified tourism development strategy which is: "To make Western Australia the World's natural choice." In addition, the vision statement has the underlying assumption that nature based tourism is the only kind of sustainable tourism, which is a very narrow definition.

126. The objective listed is limited in scope and unmeasurable. The WATC has a number of objectives which underpin the State's tourism vision. These are to:

➢ Make Western Australia a natural choice for tourism investment;

➢ Develop regional tourism through local empowerment;

➢ Gain worldwide recognition for our icons;

> ➤ Grow tourism faster in WA than our national competitors;

> ➤ Ensure visitors become advocates for Western Australia; and

> ➤ Achieve recognition for tourism as a leading economic contributor to the State.

127. In the Action Items Underway it should be made clear that the existing accreditation programs include all tourism businesses, not solely those that are nature-based.

128. In terms of the Proposed Actions it should be noted that the WATC is already giving effect to all of these proposals. There is, however, a need to clarify each of the points.

129. Action 3.32 places undue emphasis on nature based tourism. It should also be noted that the marketing of nature based tourism is already being carried out through the "Be Touched by Nature" campaign. It is also unclear why there is such a strong emphasis in this action on walk trails specifically, when there are many different tourism activities that should be marketed. The concept of "sense of place" should also be clarified and explained in respect of this action.

130. For Action 3.33, a cultural tourism strategy is already being developed for WA and this will address many of these issues. In terms of this action there is a danger in making such prescriptive statements regarding the kinds of businesses that should be developed, as some of the proposed activities may not be viable at this stage. For these activities the term "sense of place marker" must also be explained and referenced.

131. Action 3.34 is supported in principle, however, there are a number of practical implications and issues that may hinder the pursuit of these actions. The range and application of existing nature-based and sustainable tourism accreditation programs for operators (especially small operators) is confusing as they are clearly not applicable to particular industry segments. The consumer is even more confused as to the meaning and value of these programs. Moreover, another issue that may hinder expansion of existing sustainable tourism accreditation is the potential time and cost involved for small tourism operators in obtaining this accreditation. This is likely to be considerable and generally disproportionate to that of their larger counterparts and may deter small operators from seeking accreditation.

132. Many of these accreditation programs could be marketed more pro-actively and there is little consumer awareness of the value or meaning of the accreditation once it is achieved.

133. Many businesses that have undertaken the arduous process and substantial cost of accreditation have found the process useful, but have been disappointed in the true market value and benefits of accreditation. The

uptake of these systems is poor and these matters need to be addressed to increase the uptake of accreditation.

134. Support for the accreditation programs is already underway by the WATC with work being undertaken with the Tourism Council of Western Australia to develop "green" and indigenous accreditation modules that will be added to the National Tourism Accreditation Program. These accreditations will be available to all tourism businesses, not solely those offering nature based tourism products.

135. It should be noted that there are legal implications relating to requirements for tourism businesses to undertake accreditation. The WATC is currently examining the legality of requiring all operators to be accredited before they can be included in WATC campaigns and publications. The Australian Competition and Consumer Commission (ACCC) has to be satisfied that such requirements are not in breach of trade practices legislation.

136. With respect to Action 3.35 it should be noted that the Green Globe Accreditation for Local Government has received a mixed response in Western Australia and other parts of Australia. In principle the benchmarking of a range of key environmental indicators is a commendable concept for Local Government areas and the differentiation achieved by completing the accreditation for an area is extremely attractive. However, the program currently has a number of issues which need to be considered including:

   o Experienced assistance has not been made available to guide the process from Green Globe.

   o There are no clear indicators to Councils as to how long the process can be expected to take and what the approximate costs in time and resources are in addition to accreditation fees. When closely investigated the cost in resources and time is considerable to Councils undertaking this program.

   o There is generally low awareness of what Green Globe stands for, and even less awareness of the value and level of commitment required of an area or operator to complete the program.

   o The WATC is testing potential for accreditation at a local authority level with Green Globe, however, it must be noted that there are severe resource implications, as Western Australia has 144 Local Government areas. Accordingly, the cost of undertaking such an initiative on a Statewide level would run into millions of dollars just to undertake the basic testing of the sustainability of each Shire, with additional resources needed to ensure that the Shires actually meet the required standards. The cost and resource implications of these accreditation systems makes it difficult for most local authorities to even consider this option.

137. The indicators and targets and the global opportunities as outlined in this section should also be modified in keeping with the above comments.

Protecting Aquatic Systems

138. This issue (p.118) must be considered from a more strategic perspective recognising the linkages that exist with other Landcare programs and the Salinity Strategy. An important issue that must be addressed in this section relates to the identification of environmental values and designation of environmental quality objectives for all of the State's aquatic systems, so that these values can then be embedded within environmental protection policies.

139. An emphasis on community education and stakeholder engagement is also critical to achieve the aims relating to protection of the State's aquatic systems.

140. The introduction to the section also needs to focus on the issues associated with addressing requirements for integrated catchment management.

141. The reference in the vision for the section to community-derived values is also unclear, as this will cover a range of areas and interests including environmental, agricultural, industrial, recreational and scenic values. Whilst the management of these values can be partially achieved through the use of Environmental Protection Policies and Statements of Planning Policy, there will also be other mechanisms that are required to achieve these aims.

142. The material listed in the actions underway should also note that there are a range of Landcare programs that are aimed at catchment protection and improving aquatic waterways.

143. The proposed actions in this section are supported. In terms of the first two actions relating to water dependent ecosystems and ensuring the values of aquatic systems are accounted for, it is noted that they take a sustainability approach that is not reflected in the vision and objectives of the section.

144. In recognition of the importance of the issues associated with habitat loss as highlighted in the Strategy, it is recommended that the suggested actions should include development and implementation of programs to enhance these habitats using community/NGO involvement and available funding/grants for education initiatives.

Sustainable Coastal and Marine Environments

145. As noted earlier the proposed action items in this section (p.125) need to use clear definitions and terminology to ensure a common understanding and agreement as to what is intended.

146. It is also important to note that the functions/tasks are spread across several State and Commonwealth agencies with differing responsibilities and authority. Therefore, it is imperative to carry out an audit to list ongoing activities, projects, etc, and undertake a comprehensive gap analysis.

147. The proposed actions need to include social and economic parameters to be representative of the truly sustainable approach to the consideration and planning for coastal and marine systems.

Sustainable Rangelands Management

148. This section (p.127) needs to be more comprehensive and to establish a clear definition of the rangelands (i.e. is it just pastoral areas or does it include the broader, more widely accepted definition including arid, desert areas?). If this is the case, the focus of the discussion needs to be altered accordingly.

149. As a more general point, it is also suggested that the vision statement should be shortened with a large amount of the material transferred to the list of objectives in the section. The vision statement should include commitments towards more diversification of land use within pastoral lease boundaries and ensuring that the needs and aspirations of aboriginal communities are met.

150. There is a need to provide more discussion and consideration about institutional reform (government agency arrangements) for regulating/addressing sustainable rangelands management issues along with a greater focus on issues associated with the management of indigenous protected areas and aboriginal heritage issues.

151. Information and statistics are also needed to support the claims made regarding rangelands degradation.

152. The recognition of mining lease rehabilitation and related protection measures is also an important issue in respect of effective rangelands management and accordingly should be discussed in this section.

153. It is also noted that the proposed indicators have a conservation focus and they should be diversified to include consideration of other matters such as social sustainability and indigenous community issues.

(6). Sustainability and Settlements

Managing Freight and Regional Transport

154. Whilst the objectives for increasing the use of rail transport outlined in this section (p.144) are supported, the Strategy provides limited information as to how this is to be achieved and what possible disincentives are to be used to discourage road transport (e.g. road tolls). It should be noted that rail is not cost effective for low volume, short haul freight with multiple origin/destination pairs. The costs of intermodal transfer at each end of the chain is also an issue.

155. The Strategy also makes reference in this section to the use of citizen's juries as a planning tool for making decisions on future developments. These tools - if used effectively - can achieve excellent results. Discussion in this area needs to highlight the extensive safeguards required to achieve valid results, including background on the costs associated with alternative options (including construction and operating costs) as well as strategies to ensure a democratic representation of stakeholder views.

Preserving Air Quality

156. Air quality monitoring and planning are important measures in the Strategy, especially given the issues associated with increasing population densities and other related measures promoted in the document.

157. The proposed actions correctly identify that air quality issues and greenhouse issues can be competing (e.g. the most efficient renewable source of heat such as wood burnt in the home is blamed for air quality issues). In addressing these issues, however, it is important to consider the underlying factors rather than the unintended impacts of the action. For instance, in the case of wood fires it is possible to legislate against inefficient installations, such as open fires, and educate the community to correctly prepare and use wood fuels. Sellers of wood can also be accredited as suppliers of dry wood as it is the water content of wood that is responsible for most contaminants.

Reducing and Managing Waste

158. Recognition that waste reduction forms an essential component of a sustainability strategy (p.148) is supported. The consideration of waste as another resource is also supported.

159. The Strategy states (p.149) "It is no longer acceptable to continue to disposel [sic] of waste to landfill". It must be recognised that, while the community would rather not create unnecessary waste, it does have a limit as to how much more it is prepared to pay not to send rubbish to a low cost, safe disposal source. Items reach the end of their life through wear and tear, burning, becoming unsafe or so technologically outdated that they are inefficient. The cost of reusing or reconstituting some of these items should be recognised in a waste strategy, as well as the potential contribution of landfill as a renewable energy source.

160. The movement to follow the EC to make the producer of an item responsible for its disposal after use will need careful consideration. It is a move toward lessening the responsibilities of actions undertaken by consumers. This could also be a step toward a more litigious society in that the lifelong responsibilities of the producer grow over time and owner/user responsibilities decline. Neither of these trends promote sustainability. The actions associated with hazardous waste suggest that it, of all types of waste, will not be eliminated. This surely will be the community's greatest concern.

161. The waste hierarchy should be considered a policy or guide and not an end in itself. Flexibility, good governance and transparency are needed as much in the waste reduction area as anywhere.

162. It should also be recognised that to some extent waste is created by shorter life spans of items and the inability to reuse items. The inability to reuse is a by-product of the higher levels of performance achieved by current technology with examples evident from razor blades to electronics. New technology may replace old and make redundant all the equipment associated with the outdated technology. Another feature requiring shorter life span is improved safety standards.

163. In the Indicators and targets (p.150), the "reduction of resource consumption by a factor of 4" appears to be a simplistic target with no definition to assist in measuring achievement. It also needs to recognise that resource consumption is impacted by a variety of factors including technology, relative prices of inputs, etc. It also needs to define whether resource consumption is to be measured in absolute or efficiency terms and is to include land, account for exports, and consider issues associated with reduced incomes of resource producers if their output is curtailed.

Our Water Future

164. The opening statement in this section (page 151) regarding water use needs to be qualified. Perth per capita water consumption fell with water restrictions of the 1970s and has stabilised since. This happened before the drop and stabilisation in the rest of Australia. The level of use in Perth relative to other cities is largely driven and dependent on the extent of seasonal extremes.

165. It is also suggested that in line with the call for increased transparency and accountability as part of this Strategy, the Water Corporation should be called on to provider clearer costing and accounting practices in relation to the derivation of costs for water provided from alternative sources (new extraction versus treatment/reuse).

Sustainable Energy

166. This section of the Strategy contains a quote from 'Lester Brown' on page 154 which asserts that world coal usage peaked in 1996. Other data conflicts with this assertion, showing continued growth in world coal consumption to 2000, with production peaking in 1998 and further probable increases[1]. It should also be noted that comparison between the 'peaking' behaviour of petroleum production and coal production is invalid, as the physical constraints to production that apply to petroleum reservoirs are common to coal deposits. The rate of production for coal depends far more on economic factors. Fossil fuels other than natural gas can be converted into hydrogen in the timescale envisaged. This quotation reduces the credibility of the section and should therefore be removed from the document.

167. The criteria by which the sustainability of various energy sources is assessed requires clarification. It should be noted that the sustainability differences between gas and coal fuel are not inherent in their composition, but in characteristics such as thermal efficiency, sulphur dioxide emissions, etc, which change with technology improvements.

168. The first objective is not clearly worded. It should be modified to refer to increasing the energy efficiency of the domestic, commercial and industrial sectors, rather than simply being part of those sectors. The reference in the second objective to "demonstrate the multiple sustainability benefits of more sustainable energy" is circular, and should be modified to simply refer to

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[1] US Energy Information Administration. (2001). http://www.eia.doe.gov/emeu/international/coal.html

demonstration of the benefits associated with the use of sustainable energy sources.

169. The proposed action recommending a State BioEnergy Policy is supported and DOIR would welcome the opportunity for input into this process.

170. The recommendations of the report of the Electricity Reform Task Force (ERTF) regarding managing peak load demand for electricity should be noted, particularly with respect to the use of compensation/incentives for accepting reductions/interruptions to electricity supply via the Residual Trading Market. Strategies for managing peak loads should be developed in consultation with electricity retailers in the new market structure resulting from the implementation of the ERTF recommendations.

171. In terms of action 4.68 it could also be noted that the peak production capability of solar renewable power usually coincides roughly with the peak demand period across the year. Variable rate charging is generally not favoured by power retailers because of the difficulties associated with managing such systems. The use of variable rates with a low price base rate and a higher priced peak rate, however, would go some way towards reducing peak demand and also making high priced solar power and other renewables more financially viable. The Strategy could possibly recommend that the Sustainable Energy Development Office investigate the circumstances necessary to introduce variable rate charging as a means of reducing peak demand and encouraging renewables.

172. It should be noted that the proposed actions regarding renewable energy and distributed generation are covered by the Electricity Reform process described above and should therefore be removed from the Strategy to avoid confusion. Similar comments can be applied to the proposed actions for meeting Mandatory Renewable Energy Targets as this option is being investigated in the Electricity Reform process, but is subject to a further decision on its viability. The Strategy should defer to the outcome of this decision.

173. The reference to minimising energy use by using sustainability assessment to include life cycle costing analyses on all such decisions is unclear. It needs to make clear what processes will be utilised and to consider how readily such information can be ascertained.

174. As a general comment relating to the suggested actions by government in this area, it is considered appropriate that the public sector utilise its purchasing power to provide support and establish markets for energy efficient technologies where they are reasonably price competitive (e.g. solar hot water heaters in public housing, renewable energy solutions in remote locations). The use of subsidies or grants as a means of encouraging market development is less desirable as such mechanisms act to significantly distort the market and are open to challenge.

175. The last proposed progress measure assessing household energy use per unit of household income might be inequitable for lower-income households,

as they necessarily have a higher proportion of expenditure on energy relative to income.

Preserving Cultural Heritage, Landscapes and Creating Some Sense of Place

176. As a general point in relation to this section, it is felt that there is a need to address the issues in relation to the elderly and more vulnerable segments of the population, as they will have quite specific needs in terms of safety, service provision, etc that also contribute towards the sense of place concept.

Building Sustainably

177. It is suggested that the aims as outlined in this area could also be enhanced through the incorporation of training in sustainability principles as part of both academic and vocational training relating to the professions that service the residential and industrial building sectors.(7). Sustainability and Community

178. The initial diagram in this section (Figure 10 p.165) does not provide a clear explanation of the relationships associated with the inter-connection of community, government and the market. It appears to give equal weighting to all three components. There are other models that show the community as including markets, and markets as including government. The discussion within this section should explain the reason for the model and highlight its contribution to the document.

179. The model could also feature the environment factors (including cultural, governance and economic systems) and show the flows of energy, materials, information and power between these systems and the market, government and society.

180. There are a range of similar diagrams that could also be utilised to replace the existing material to ensure that this item holds sufficient information to aid discussion and considerations in this area.

(8). Sustainability and Business

181. This section is noticeably weaker and less detailed than many other parts of the Strategy. It also focuses strongly on a particular set of issues, such as training, financial reform, eco-efficiency and sustainability covenants, without considering the full suite of issues relating to sustainability and business. There are a range of other critical issues which are of direct relevance to sustainability but which have not been considered in the Strategy. The promotion and commercialisation of innovation is a particularly important example. It is recommended that further consultation with the economic development agencies of Government should be conducted prior to completion of the final Strategy to rectify these omissions.

182. This section of the Strategy should recognise the significant efforts being made by various industry participants in the areas relating to sustainability.

Accordingly, it should also be noted that the efforts of government to assist this process should be focused on encouragement/development of partnerships, with the imposition of regulations as a measure of last resort. Commitments by government should also be directed towards using existing information management and collection systems where possible to avoid the unnecessary duplication/creation of additional systems.

Training and Facilitation for Sustainability

183. It is also considered that this area of the Strategy needs to be more outward or outcomes focussed with less reference to specific industries and sectors. The statements should be made more general with directions that encompass all industries. In particular, there is a need to decrease the emphasis on the vocational training sector and ensure that there is equal consideration given to the needs of other levels of training, such as the research and development undertaken by the tertiary sector.

184. This area of the Strategy also needs to recognise and make recommendations on addressing the skill requirements for the public sector to achieve implementation of the recommendations in areas such as sustainability assessments and community consultation/stakeholder engagement, as well as generalised information provision on sustainability issues and developments.

185. On page 198, during a discussion on enterprise facilitation, it is unclear what is meant by the final paragraph and, in particular, the statement that "this kind of facilitation can be done at the community level in ways that have much deeper sustainability outcomes, especially in rural areas".

186. It is also stated that "Western Australia has had such enterprise facilitation programs (see for example www.sirolli.com)". This reference is to a website for the Sirolli Institute International Enterprise Facilitation Inc based in British Columbia, Canada. Sirolli's model dates back 13 years and gave rise to the existing Business Enterprise Centre network. It is more appropriate to give a better example of business facilitation measures in WA drawn from the activities of the Small Business Development Corporation, the Department of Industry & Resources (particularly the Office of Aboriginal Economic Development), or the Business Enterprise Centre Network.

187. In particular this discussion culminates in proposed action 6.4 which recommends the "review of the process of enterprise facilitation within the state government to ensure that there is a core of sustainability principles and focus on economic opportunities in sustainability and ensure that there are developmental and community-based approaches to enterprise facilitation, especially in rural areas". At any one time there are a range of different enterprise facilitation programs in operation or being developed in WA, according to a variety of important criteria and principles. Sustainability is simply another element of many that should be given consideration as a possible criterion when enterprise facilitation programs are developed. Its inclusion should not be automatically prescribed however.

188. The Strategy also fails to propose measures that will assist small businesses to cope with the changes that its implementation will visit on them. As a

beginning, it is important that awareness, information, referral and education initiatives are developed to support small businesses that already are overburdened with government regulation and under resourced.

189. The inclusion of another proposed action in this section may assist in addressing this issue, with the suggested possible wording of:

"Provide low-cost, easily accessible and readily understandable information, education, awareness and referral measures to inform small business operators about sustainability, including actions arising from the State Sustainability Strategy, the opportunities and obligations this will present for small businesses and ways to address and/or capitalise on these."

190. This information could be provided to small business through the conduit of the Small Business Development Corporation which has a legislatively mandated function to distribute information and technical data to assist the development of small business in Western Australia. However, the actual preparation and production of sustainability information would need to be developed by those agencies with relevant experience in relation to sustainability issues.

Financial Reform and Economic Instruments for Sustainability

191. The principal messages outlined in this section - regarding the economic value of the environment and the ability to use innovation, technology and changing consumer preferences to achieve greater sustainability - are supported. Government can assist this process though appropriate policy measures.

192. The focus in the section (page 201) on the false assumptions made by "neo-liberal" economics acts to obscure the valid messages put forward. These assumptions are discussed below:

- *That the economic system is separate from ecological systems.*

  To the extent that it is true that this assumption is made, the assumption is used as a simplifying assumption given the highly complex nature of these linkages. To handle this over-simplification, standard market failure theory highlights the impact of environmental issues on society and the economy, which can then be analysed using models that are more sophisticated.

- *Price trends show there are no limits to resources because technology and innovation will always find replacements for scarce resources.*

  This is not an assumption of neo-classical economics. The impact of increasing or anticipated scarcity causes prices to rise in standard economic theory. The problem with current price trends is that they may not reflect all information about the level of all finite resources and the ability of technological change to improve the productivity of their usage. This may mean that current prices undervalue resources encouraging

overuse (likewise they may overvalue resources). Again, this problem is recognised in modern economic theory.

- *Constraints on information are not a constraint on optimal (and sustainable) consumer choice.*

  This is a simplifying assumption and obviously does not accord with real life, although, as mentioned above, lack of full information can be problematic for sustainability.

- *The value of a resource, good or service today is always greater than its value in the future.*

  This characterisation of the "assumption" does not appear to be correct. The correct characterisation of the "assumption" is that the real value of receiving payment of a certain amount is greater today than for receipt of a similar amount in the future, due to the effects of inflation in eroding purchasing power. These considerations however cannot be similarly applied to the value of goods or services because prices tend to rise over time in line with inflation.

193. This section of the draft Strategy also contains several claims regarding "new" economic theory which are characterised as facts but are really largely opinion. These claims should be modified as discussed below:

- *Material, energy and water flows in the global economy are currently not sustainable and have exceeded the carrying capacity of the planet.*

  Whilst there are a number of commentators on sustainability that have made similar claims on this issue it remains open to question and could not be considered as a general acknowledgement. This statement needs to be qualified with a prefacing statement such as *"Some commentators have alleged…"*.

- *Consumers and producers usually act in the absence of information.*

  This statement needs to be modified to "acting on less than full information". Acknowledgement should be given to the fact that consumers may also act on inaccurate information.

- *Discounting procedures in economic policy work against intergenerational equity and can result in perverse ecological and social impacts.*

  This may occur if discounting is carried out without consideration of the costs of environmental issues, but this is not necessarily the case. This generalisation should be amended to reflect this.

- It should also be noted that the pointing out of these "errors" in the Strategy does not contribute to the objectives of the document and should not be

used as a basis for disregarding the significant amount of work undertaken in the field of economics relating to human behaviour.

194. In the Financial Reform and Economic Instruments section, the Strategy suggests that a critical issue for business is to mobilise sufficient financial resources to make the transition to sustainability and that Government's pay an important role in encouraging the direction of capital to sustainability. While this contention is supported, the Strategy infers that increasing the supply of funds to ethical investment will drive those seeking funds to be more sustainable. Given the small relative proportion of investment funds currently directed to ethical investment and the fact that the ethical investment market is not synonymous with the general investment market, this inference is not reliable and should not be taken to suggest that the supply of ethical funds is unlimited to the extent that they will drive the market as hypothesised in the Strategy.

195. The proposed actions (page 203) recommend that the Government should work in partnership with the financial sector to improve investment decisions for sustainability and encourage greater investment in sustainability business opportunities in WA. While there is a role for Government to establish the correct framework for sustainability-related investment and the removal of distortions and disincentives for such investment, there are significant risks associated with Government attempting to direct investment or financial sector behaviour (i.e. action for recourse if investments do not meet expectations/forecasts).

196. Alternatively, there could be a stronger focus in this section on the role of Government in promoting, facilitating and setting the example for ethical investment, rather than directing investment decision-making. For example, significant opportunities exist for promotion through:

   o availability of ethical investment opportunities in the management of State Government employee superannuation funds;
   o consumer awareness and education initiatives; and
   o facilitation of contact between businesses, innovators and ethical investors.

197. The discussion on alternative growth measures to GDP (p.201) should also note that the United Nations system of National Accounts is being refined to include similar measures that reflect changes in the state of natural resources. A range of measures that capture more than GDP growth is available and the measures chosen in WA will take some time to develop. Any accounting method chosen should conform to international systems of measures.

198. It is also proposed that the government examine ways in which subsidies and other financial mechanisms are having positive or negative effects on the health of the environment, society and economy. This recommendation is supported but should be broadened to focus on the impacts of regulation and

market structures in these areas. It is critical that the Department of Treasury and Finance be given the lead role in any examination of these issues.

199. The statements regarding promotion of sustainability through use of the State's "significant reserves" and the banking and finance decisions taken by Government should be deleted from the final draft of the Strategy. The intention behind these statements is unclear and does not reflect the Government's financial governance framework.

Eco-efficiency and Industrial Ecology

200. As noted above it is important that the terminology used in this section is made clear and appropriately defined to allow the wider community to embrace the sustainability concepts as proposed. It must also be recognised that adoption of these sustainability principles is very significant and social responsibilities for companies are very difficult to define. Accordingly, there is a need to 'go-slowly' with sustainability so that all segments of the private sector (not just the market leaders) and the community can truly adopt these principles. It should also be noted that small companies might find it difficult to adhere to sustainability guidelines given their lack of expertise in this area.

201. Proposed action 6.10 relating to the adoption of the WA Sustainable Industry Group (WASIG) Cleaner Production Statement as part of agency Sustainability Action Plans appears confused. Agencies that do become a signatory to the WASIG Statement are required to commit to the adoption of sustainability principles and outline what actions they will take to achieve these aims. Public reporting of the progress of agencies on these actions is also required. Under Sustainability Action Plans agencies will also be required to outline their proposed commitments to achieve the aims of the Sustainability Strategy and also report on the achievement of these aims.

202. Implementation of this requirement could potentially see dual reporting of achievements against different criteria, incurring extra costs, creating confusion for the broader community and moving against the aim of increased accountability for sustainability actions. Similarly, it is also considered to be inappropriate to require that government agencies join a specific group. Rather, if there is a desire to become a member of a sustainability forum/group, it should remain open for the agency to choose the alternative that best meets their needs.

203. Proposed Action 6.12 suggests the development of an eco-industries department within the Department of Environment, Water and Catchment Protection. This would appear to be inappropriate given the limited expertise available to the department in industrial development while other agencies such as the Department of Industry and Resources already possess those skills. In addition, the possibility of conflict of interest arises if the environmental regulator has the dual task of reducing discharges while at the same time establishing a discharger as a viable business, as was evidenced in the case of the Bellevue chemical fire incident in 2002. This action should recognise the work already being undertaken by the Department of Industry and Resources to support the development of this sector of the economy.

204. Proposed action 6.14 relating to the establishment of business clusters in WA (to date largely based around resource based research precincts and industrial parks) is supported. To establish a broader application of this proposal there may be a need to better define a business cluster to include smaller businesses/industries. Such an approach could also be used to focus efforts towards the encouragement of research and development precincts.

205. In terms of the implementation of national eco-labelling standards, marketing of these standards will also be critical in order that there is appropriate recognition by the broader community.

Industry Sustainability Covenants

206. The aims outlined in this section in driving change towards the adoption of sustainable industry practices are supported. In moving to achieve these aims however, there is a need for the Strategy to explain why the use of Industry Sustainability Covenants is seen as the best option, as opposed to other options such as profiling case studies of sustainability excellence in websites or through sustainability awards as proposed elsewhere in the Strategy.

207. In developing the sustainability covenant concept it needs to be established at what level the model is to be implemented. If as proposed in the Strategy it is to involve a high level commitment or partnership between the State Government and business/industry organisations, then it may require a statutory/regulatory framework to give support to these partnerships. Furthermore, the establishment of assessment criteria and allocation of relevant responsibility for implementation will also be required.

208. Simplicity in the administration of such a system is also important and it needs to be made clear whether under a "non-binding" approach there are to be any penalties for noncompliance.

(9). Implementation

209. The Strategy notes that following finalisation of the document a detailed Implementation Program will be developed, specifying the overall institutional arrangements for implementation, responsibilities for implementing each action, allocation of resources and associated timeframes. This approach is supported but it is considered critical that the program be developed in close consultation with government agencies and key stakeholders (e.g. industry associations) responsible for these different areas.

210. It is considered that the following issues/tasks also need to be incorporated into the implementation program:

- Overarching vision – to guide the process for adoption of the Strategy principles and actions by government agencies,

- Audit/Gap Analysis – to highlight the areas where the greatest changes will be required,

- Community engagement – outlining proposed actions/strategies to bring the broader community "up to speed" with the concepts and proposals outlined in the Strategy,

- Education and marketing strategies – to increase public awareness and understanding of the issues, concepts and actions as proposed in the Strategy,

- Legislative and institutional reforms – guidance on the procedures/mechanism to be adopted to allow the necessary legislative and institutional changes to be developed and adopted.