

## **Government - Leading Ecologically Sustainable Development**

- 4.1 Industry leadership in ESD can promote change through establishing a market value for good environmental outcomes. Government leadership in ESD can raise community expectations of environmental outcomes, and so influence marketplace behaviour, and also assist in nurturing the market.
- 4.2 Leadership by the Australian Government should be actively demonstrated through the business operations of all Australian Government departments and agencies. To ensure that the Australian Government commitment to ESD is being achieved and that leadership is displayed, the Committee considered a number of mandatory department and agency compliance standards and reporting requirements.
- 4.3 GreenChip outlined the importance of leadership at the Australian Government, and State and Territory levels, commenting that:

In many ways this leadership will determine the level of green consumerism in the community, which will in turn drive Environment jobs. Irrespective of one's political alignment our Government leaders need to agree on values that put the long-term security of our planet as a priority area for action.<sup>1</sup>

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1 Submission no. 30, p. 218.

- 4.4 The Committee considers that ESD is a national responsibility and it falls to all levels of government to provide leadership, set minimum regulatory standards and influence market and community expectations that will further drive ESD.

## Government ESD Guidelines and Requirements

- 4.5 Australian Government departments and agencies are required to meet a number of obligations to implement the Government's ESD commitment. Table 4.1 outlines some of these policies.

Table 4.1 Australian Government Policies and Requirements.

Document	Issue	Requirement
Measures for Improving Energy Efficiency in Australian Government Operations	Energy and greenhouse emission reduction	Target of less than 10,000 MJ per person per year by 2002 for tenant's light and power use in Australian Government office buildings.
		All new appliances to have 2-star or better Energy Rating under the Appliance Energy Efficiency Rating Label Scheme.
		Departments and agencies to purchase only office equipment that carries an 'Energy Star' label, where it is available and fit for purpose.
Australian Government Waste Reduction and Purchasing Guidelines	Waste reduction	Agreement to work towards whole of government waste reduction and purchasing policies; individual agencies to adopt waste reduction and purchasing plans; effective monitoring and reporting systems to track implementation.
National Packaging Covenant	Reduce the environmental impacts of packaging	As a signatory, the Australian Government has agreed to facilitate implementation of purchasing policies for recycled goods.
Environmental Protection and Biodiversity Conservation Act 1999	Environmental reporting	Australian Government agencies to include information about their ESD performance in their annual reports.
Australian Government Procurement Guidelines	Life-cycle costing	'Officials buying goods and services need to be satisfied that the best possible outcome has been achieved taking into account all relevant costs and benefits over the whole of the procurement life cycle.'
National Greenhouse Strategy		Encourages purchasing which takes into account operating energy costs as well as capital cost for assessment and selection of tendered goods and services.
Other	Environmental Management Systems	The Australian Government has encouraged all departments and agencies to join the Greenhouse Challenge Programme and implement an environmental management system and accredit one large site by Dec 2003.

Source DEH, [www.ea.gov.au/industry/sustainable/greening-govt/consult.html](http://www.ea.gov.au/industry/sustainable/greening-govt/consult.html), last accessed 19 May 2003

- 4.6 The Committee considers that demonstrated leadership, in terms of implementation and reporting, across all these areas is vital.

## Government ESD Implementation and Reporting

### Australian Government Agency Reporting

- 4.7 Through its policies and operations, the Australian Government has a significant effect on ecological sustainability. Since 2000, there has been a requirement under the *Environment Protection and Biodiversity Conservation Act 1999* (EPBC Act) for Australian Government departments and agencies to report annually on their environmental performance and contribution to ESD.
- 4.8 Section 3A of the EPBC Act sets out five principles of ESD that should be considered by departments and agencies in planning for ESD reporting. These are that:
- Decision-making processes should effectively integrate both long-term and short-term economic, environmental, social and equitable considerations;
  - If there are threats of serious or irreversible environmental damage, lack of full scientific certainty should not be used as a reason for postponing measures to prevent environmental degradation;
  - The principle of inter-generational equity—that the present generation should ensure the health, diversity and productivity of the environment is maintained or enhanced for the benefit of future generations;
  - The conservation of biological diversity and ecological integrity should be a fundamental consideration in decision-making; and
  - Improved valuation, pricing and incentive mechanisms should be promoted.<sup>2</sup>

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2 Section 3A *Environment Protection and Biodiversity Conservation Act 1999*.

- 4.9 Under section 516A(6) of the EPBC Act, the annual report of an Australian Government department or agency must:
- Include a report on how the activities of, and the administration (if any) of legislation by, an agency accorded with the principles of ESD;
  - Identify how the outcomes (if any) specified in an Appropriations Act contribute to ESD;
  - Document the effect of the agency's activities on the environment;
  - Identify any measures the agency is taking to minimise the impact of its activities on the environment; and
  - Identify the mechanisms (if any) for reviewing and increasing the effectiveness of those measures.<sup>3</sup>
- 4.10 Departments and agencies must also report on measures for minimising environmental impact and mechanisms for increasing the effectiveness of these measures. The Australian Government is encouraging its departments and agencies to implement accredited Environmental Management Systems to assist with the reporting requirements under the EPBC Act.
- 4.11 The PMSEIC report, *Australia's Sustainable Competitiveness*, makes reference to this reporting requirement, stating that:

Reflecting the Australian Government's support for public environmental reporting in the private sector, the *Environmental Protection and Biodiversity Conservation Act 1999* requires Australian Government organisations to include in their Annual reports a section detailing the environmental performance of the organisation and the organisation's contribution to Ecologically Sustainable Development (ESD).

The identification, monitoring and reporting of environmental issues will help Australian Government organisations improve their environmental performance and in the process improve their skill base and refocus employment opportunities (for example, from waste disposal to recycling/composting initiatives).<sup>4</sup>

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3 Section 516A(6) *Environment Protection and Biodiversity Conservation Act 1999*.

4 Submission no. 26, p. 203.

- 4.12 These requirements for Australian Government department and agency reporting on ESD are relatively recent. The Committee is strongly supportive of these measures and considers that it is essential that this compliance and reporting be regarded as a core government management practice. It should not be viewed as simply 'going through the motions' of reporting. Rather it should be prioritised as the active demonstration of government policy commitments.
- 4.13 The Auditor General has recently reviewed reporting on ESD by Australian Government departments and agencies. The audit report No. 41, *Annual Reporting on Ecologically Sustainable Development*, was presented on 7 May 2003.
- 4.14 The audit provides an independent assessment of the quality of the first two years of Australian Government department and agency annual reporting on ESD. The audit reviews current practice in light of legal requirements, and provides examples of better practice.
- 4.15 The Australian Government has indicated that it expects its departments and agencies to demonstrate leadership in the processes by which economic, social and environmental goals are integrated.<sup>5</sup> The annual reports of agencies are the key mechanism for determining environmental performance and contribution to ESD against the Australian Government's goals.
- 4.16 The Australian National Audit Office (ANAO) surveyed 44 agencies and examined the annual reports of 20 agencies for 2000-01. The audit found that the quality of Commonwealth reporting undertaken to date was satisfactory, given the timeframes involved. Activity was underway in relation to the establishment of ESD strategies at most agencies surveyed. Only four of the agencies surveyed considered that their activities had no relevance to ESD. Most agencies surveyed (86 per cent) had policies or other measures in place to minimise their impacts on the environment. There was also evidence across most agencies that further work was being undertaken to enhance the effectiveness of environmental policies in agencies. Airservices Australia, Defence and CSIRO were identified as having implemented good practice environmental management strategies. The report also noted that there was scope for improvement to meet Australian

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5 The Hon. Peter Costello, 'Terms of Reference', in: *Implementation of Ecologically Sustainable Development by Commonwealth Departments and Agencies*, Productivity Commission Report No. 5, 25 May 1999, p. v.

Government ESD objectives. However, they did note that in spite of the Australian Government's 10-year commitment to ESD and the more recent requirement for departments and agencies to report annually on their contributions, many agencies remain focused solely on the impact of their operations on the natural environment.

- 4.17 The ANAO report also comments that most departments and agencies are still developing appropriate management and reporting frameworks, including performance indicators, for effective monitoring and reporting. As a consequence, there is considerable scope for improvement in relation to the quality of departments' and agencies' annual reports – especially in relation to compliance with the EPBC Act and articulating agencies' contribution to broader ESD outcomes.
- 4.18 DEH currently provides guidance to departments and agencies on how to comply with ESD reporting requirements.
- 4.19 Generally, departments and agencies are yet to come to terms with the broader implications of ESD, its relevance to their operations and the responsibility of departments and agencies to incorporate ESD into all business practices. The view that ESD is not relevant to non-environmental departments' and agencies' operations is widely held, and the audit report comments that this will need to be addressed by DEH in moving the Australian Government's ESD agenda forward.
- 4.20 The Committee endorses the findings of the audit report that DEH has a key role to play in terms of assisting departments and agencies to improve the quality of their ESD reports. While the advice and guidance that DEH currently provides is well regarded, the Committee reiterates the leadership role which the Australian Government and its departments and agencies must play in implementing ESD. To demonstrate this leadership, the Committee regards Australian Government department and agency ESD compliance as a high priority.
- 4.21 The Committee suggests that DEH provide further guidance and practical tools on ESD reporting for Australian Government departments and agencies. Additionally, the Committee strongly recommends that there be greater scrutiny of Australian Government departments and agencies in their compliance with and movement towards ESD implementation and reporting. If community expectations are for industry to display a greater corporate responsibility and accountability, then it is imperative that Australian

Government departments and agencies are similarly accountable for the environmental impact of their operations.

- 4.22 The Committee strongly supports the need for Australian Government departments and agencies to demonstrate an active commitment to ESD through leadership in public reporting. Currently ESD reporting is sporadic, lacks standardisation and the compliance rates suggest it is not prioritised by departments and agencies. This situation should be remedied.
- 4.23 Taking into account the ANAO findings, the Committee suggests that responsibility for guidance on ESD rests with DEH. However it is the recommendation of the Committee that individual departments and agencies be held more accountable for their own ESD performance and reporting compliance.

### **Recommendation 5**

- 4.24 **The Committee recommends that:**
- **The Australian Government commit to achieving full compliance for reporting on ecologically sustainable development from all Australian Government departments and agencies by 2005;**
  - **The Australian Public Service Commission report annually on the ecologically sustainable development compliance and reporting levels of Australian Government departments and agencies; and**
  - **Ecologically sustainable development performance and reporting compliance be a key performance indicator for Senior Commonwealth agency and department staff.**

### **Australian Government Department and Agency Purchasing**

- 4.25 Australian Government procurement can provide significant leverage in establishing a viable domestic market for environmental goods and services, and demonstrating better environmental accountability across a broad range of goods and services.

- 4.26 Through its policies and operations, the Australian Government has annual outlays of approximately \$150 billion, which accounts for 21.5 per cent of Gross Domestic Product.<sup>6</sup>
- 4.27 EBA presented evidence to the Committee concerning the need for Australian Government leadership in ESD. EBA suggested that government procurement could leverage growth in the environment industry and provide employment opportunities while contributing to better national environmental outcomes.
- 4.28 EBA noted that all three levels of government have substantial investment and procurement reach. The Association recommended that further investigation be undertaken:
- ... to measure the current sustainability of procurement and investment practices and to gauge how these could be improved with greater uptake of environment industry goods and services. EBA believes that a major revision in this area would provide outstanding opportunities for industry growth, employment, better health, improved value-adding, and will also encourage investment in the things we want as a nation (clean air, good agricultural practice, clean water, state of the art waste-resources treatment) as well as stronger long-term sustainability.<sup>7</sup>
- 4.29 The Barton Group and the EIA commented on the role that the Australian Government can play in directing procurement toward eco-efficiency. Their submission recommended the establishment of a training framework to raise awareness about eco-efficiency principles in Australian Government departments and agencies, and the importance of ESD principles in responsible public procurement. The submission noted that:
- Leadership in procurement is flowing from public sector, but skills need to be developed and made available in agencies to ensure an appropriate and disciplined approach to implementation of eco-efficiency. Such a process can be expected to have a flow-on effect to the private sector.<sup>8</sup>

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6 Minister for Environment and Heritage, *Investing in our Natural and Cultural Heritage: Commonwealth Environment Expenditure 2001-02*, 22 May 2001, p. 36.

7 Submission no. 34, p. 264.

8 Submission no. 10, p. 42.



- 4.30 The submission also noted the importance of promoting TBL reporting to Australian Government departments and agencies, commenting that ‘considerable training and job development is needed to enable TBL reporting to deliver on its potential management benefits’.<sup>9</sup>
- 4.31 Similarly the CCF suggested that an impediment to growth in the environment industry is a lack of leadership from governments at different levels. The CCF described:
- ... an apparent unwillingness by some State governments and government departments to require higher environmental standards and compliance for their own goods and services.
- Also CCF is of the opinion that State governments could be doing more to reduce the volume of potential recyclable materials going to waste depots.
- Encouraging or even mandating such policies would create substantial employment opportunities.<sup>10</sup>
- 4.32 CCF also put forward to the Committee strong views regarding the need for policies on Australian Government procurement and suggested that government tendering processes should require contractors to be environmentally accredited (CCF has developed its own accredited management system, based on ISO Standards).
- 4.33 CCF put forward the case that the Australian Government wields considerable purchasing power and so its choices significantly influence the market. For sustainability and environmental accountability to take centre stage, Australian Government departments and agencies must exert their influence in the marketplace. Speaking to the Committee at a public hearing, CCF stated that:
- We are asking for the government of the day to encourage all its departments, either through direction or stronger encouragement, to adopt these qualifications, to recognise them and make them a part of their tendering process. That is the logical first step.

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9 Submission no. 10, p. 42.

10 Submission no. 11, p. 45.

If a potential client is quite open in saying, 'We will only deal with accredited people', then people will go out and get the accreditation. That has the automatic effect of lifting the standard, lifting the bar everywhere. At this stage we have only been dealing with departments and the authorities, and so forth, and we have had some quite reasonable success in doing that, in lifting the bar.<sup>11</sup>

4.34 Taking Australian Government purchasing policies further down the sustainability path requires significant shifts and also a degree of education for departments and agencies and for the public who demand 'value for money' from government initiatives. It is often difficult to quantify this 'value for money' when externalities such as sustainability and environmental impacts are being taken into consideration. It can be tempting to opt for the 'low cost and immediate gain' type of decision. However, as the CCF noted, 'The lowest price is not always the most cost effective in the long term'.<sup>12</sup>

4.35 The Committee recognises the need to both keep pace with public expectation *and* provide leadership along the path to sustainable development. EBA addressed this 'balancing act' in its statement to the Committee:

There is going to be consumer reaction in several different ways in the short term. But that is the fundamental importance of government being able to bring the future home so that it matters here now. It takes bravery and it is a bit tough in the six months running up to an election but, with a broad enough education campaign, people are sophisticated enough nowadays to understand that we cannot continue along the path that we have carved out. People see dust storms blowing our topsoil here, there and everywhere, they see that droughts and bushfires are on the increase and they know that something is wrong. But they are not being given the chance to address that; they are not feeling empowered enough to be a driving force. That is the glue that government can really bring to this whole thing—education that, without being preachy, educates.<sup>13</sup>

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11 *Transcript of Evidence*, p. 104.

12 *Transcript of Evidence*, p. 104.

13 *Transcript of Evidence*, p. 177.

- 4.36 Further evidence presented to the Committee suggested that Australian Governmental procurement purchasing policy should also provide leadership in ensuring that the cost of externalities is incorporated into procurement policies. To this end, life cycle costing or ecological foot-printing techniques were suggested by several witnesses.
- 4.37 A similar recommendation was made in the PMSEIC report, *Australia's Sustainable Competitiveness*, which stated that:
- Government purchasing policy should incorporate sustainability criteria including life-cycle costing, to reward adopters of sustainability.<sup>14</sup>
- 4.38 The issue of Australian Government procurement policies and guidance was also examined in the 2003 audit report on ESD reporting. The report notes that:
- ... at the time of the audit, no specific advice was available to purchasing officers in relation to implementing the updated environmental requirements.<sup>15</sup>
- 4.39 The audit report also comments on current procurement policies and the need for further guidance, adding that:
- ... only seven of 44 agencies surveyed had implemented ESD clauses as standard practice for contracts. Only six of the 44 agencies surveyed had implemented green procurement training for relevant staff.<sup>16</sup>
- 4.40 The Committee concurs with the need for further guidance and a move toward incorporating ESD into standard procurement practices. The Committee was informed by DEH that Voluntary Environmental Purchasing Tools are being prepared by DEH and the Australian Greenhouse Office (AGO). A draft *Environmental Purchasing Guide* has been developed in conjunction with a series of 15 draft checklists. An issues paper on *Environmental Purchasing by the Australian Government*

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14 PMSEIC (2002), *Australian Industry's Sustainable Competitiveness*, [www.dest.gov.au/science/pmseic](http://www.dest.gov.au/science/pmseic), last accessed June 2003.

15 ANAO (2002-03), *Annual Reporting on Ecologically Sustainable Development*, Report No. 41, p. 9.

16 ANAO (2002-03), *Annual Reporting on Ecologically Sustainable Development*, Report No. 41, 2002-03, p. 9.

was released earlier in 2003.<sup>17</sup> These papers are available for public comment.

- 4.41 The Environmental Purchasing issues paper outlines the policy and legislative context for environment considerations and public purchasing. 'Value for Money' is the core principle governing Australian Government procurement, supported by the four principles of:
- Efficiency and Effectiveness;
  - Accountability and Transparency;
  - Ethics; and
  - Industry Development.
- 4.42 All Australian Government department and agency procurement decisions are also governed by the *Australian Government Procurement Guidelines and Best Practice Guidance*, which provide the policy framework. The procurement guidelines specifically refer to energy and environment policies as issues to be taken into account, where appropriate, in determining the comparative 'Value for Money' of competing goods or services.
- 4.43 The goal of the *Environmental Purchasing Guide and Checklists* is to provide comprehensive advice on Australian Government environmental policies and energy considerations to aid in determining procurement decisions that represent value for money across the four principles. The checklists go to such specificities as building management services, cleaning, fax machines, task lighting, waste management, recycling and personal computers.
- 4.44 The Committee considers it appropriate that the *Environmental Purchasing Guide* is voluntary at this stage. Nonetheless, if sustainability is to be expected of industry, then Australian Government procurement and purchasing decisions must take seriously the importance of making decisions in the long-term and sustainable public good – that is, incorporating ESD into purchasing decisions must become standard practice for Australian Government departments and agencies, rather than a voluntary consideration.

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17 [www.ea.gov.au/industry/sustainable/greening-govt/consult.html](http://www.ea.gov.au/industry/sustainable/greening-govt/consult.html), last accessed 19 May 2003.

- 4.45 Australian Government leadership should be demonstrated by ensuring that environmental considerations are an integral element of purchasing decisions and that, as far as possible, the Australian Government procurement budget assists in establishing a market demand for environmentally friendly goods, hence contributing to economies of scale and reducing unit costs.
- 4.46 To this end, the Committee believes that it should be mandatory for environmental purchasing guidelines to be incorporated into the procurement decision for all Australian Government departments and agencies.

### **Recommendation 6**

- 4.47 **The Committee recommends that the Australian Government make mandatory the use of Environmental Purchasing Guidelines for the procurement decisions of all Australian Government departments and agencies.**

## **National Environmental Accounting**

- 4.48 The Committee notes that there are already a number of ways in which businesses and the Australian Government can take environmental impact into account in decision making. The EIAA highlighted the following six complementary actions that will assist with assessing the environmental impact:
- Environmental accounting;
  - ABS data collection;
  - TBL and environmental reporting;
  - Sustainability indicators;
  - SRI indexes; and
  - Environmental standards.
- 4.49 Environmental accounting aims to include or link environmental costs and benefits to National Accounts. The ABS provides a range of environmental accounting measures for Australia, of which two in particular attempt to rectify the absence of environmental factors in the National Accounts.

The ABS has developed a number of physical natural resource accounts that are in effect satellites of the National Accounts ...The natural resource accounts show stocks and flows of natural resources. They enable ratios between physical and economic/financial data to be calculated. They include accounts for energy, minerals, water and fish.<sup>18</sup>

4.50 In addition, the EIAA also discusses the national balance sheets:

...which are part of the National Accounts, now take into account natural assets that provide economic returns (such as land, subsoil asset, livestock and timber that has economic value).<sup>19</sup>

4.51 The submission to the inquiry from the South Australian Government raised the issue of national TBL reporting. The submission suggested investigation of ecological footprinting as a method for incorporating environmental concepts and accounting into wealth assessments and policy decision making. The ecological footprint technique is a:

... method for comparing the sustainability of resource use among different populations. The consumption of these populations is converted into a single index: the land area needed to sustain that population indefinitely... Unsustainable populations are simply populations with a higher ecological footprint than available land.<sup>20</sup>

4.52 The submission proposed that the ecological footprint technique:

... enables an understanding of sustainability in a way that is measurable, intuitive and grounded within ecological realities. Because the Footprint is an accounting tool based on physical rather than monetary data, it provides crucial information pertaining to resource use and ecological limits which is absent from conventional analysis.<sup>21</sup>

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18 ISR (2001), *Environment Industry Action Agenda: Investing in Sustainability*, p. 32.

19 ISR (2001), *Environment Industry Action Agenda: Investing in Sustainability*, p. 34.

20 Lenzen, M. and Murray, S. (2003), *The Ecological Footprint – Issues and Trends*, ISA Research Paper 01-03 University of Sydney, [www.isa.org.usyd.edu.au](http://www.isa.org.usyd.edu.au), last accessed 5 November 2003, p. 5.

21 Submission no. 32, p. 246.

- 4.53 The South Australian Government noted that 'Businesses who do not take steps to reduce their Footprint and improve eco-efficiency are potentially exposing themselves, and consequently their shareholders, to economic risk'.<sup>22</sup> The submission also noted that the footprint technique has featured in several international studies, such as the report *Ecological Footprint Analysis: Towards a Sustainability Indicator for Business*, which was commissioned by the United Kingdom Association of Chartered Certified Accountants.
- 4.54 The South Australian Government submission suggested the addition of the ecological footprint to the Australian Government accounting and reporting measures. The submission commented that:
- The assessment of monetary indicators alongside biophysical indicators can provide the foundations for a Australian Government Triple Bottom Line report where the interaction between these variables can be utilised in the sustainability policy formulation and assessment process. A National Ecological Footprint report would clearly link ecological capacity and human consumption and would provide a more comprehensive assessment of national wealth and prosperity in the national accounts.<sup>23</sup>
- 4.55 The Committee agrees with this comment and with the long term benefits of implementing some form of ecological accounting.
- 4.56 The South Australian Government submission recommended that:
- ... Governments work together on meaningful and measurable criteria and, in particular, that the Australian Government:
- Further investigate the merits of incorporating Ecological Footprint concepts into the national State of the Environment Report and in national accounts (such as a counterbalance to Gross Domestic Product in assessment of national wealth and prosperity);
  - Encourage other sectors and other governments to investigate the merits of Ecological Footprint as a decisions/policy making tool and its applicability to Triple Bottom Line reporting.<sup>24</sup>

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22 Submission no. 32, p. 247.

23 Submission no. 32, p. 247.

24 Submission no. 32, p. 232.

- 4.57 The Committee supports the concept of an ecological footprint measure and understands that the technique remains in development. When progressed further, the application of an ecological footprint measurement should be assessed, and it may at that time make a useful contribution to national accounting.
- 4.58 To date, Australia's progress in ESD is sporadic and dispersed. At this stage, the Committee sees that more value is to be gained from promoting the implementation of ESD across businesses, governments and communities. The Committee sees greater value in strengthening the established reporting processes and expanding the initiatives which are already achieving outcomes.

### **Australian Government and Local Government Partnerships**

- 4.59 DEH provided evidence on the expanding role of local governments in administering environmental protection measures and providing local level leadership on ESD. Local governments are now required to provide services such as recycling, energy efficiency initiatives, and implementation of revegetation and biodiversity conservation. The DEH submission noted that in 1999-2000, local governments spent \$2.5 billion on environmental protection.<sup>25</sup>
- 4.60 The Committee recognises the importance of local government as the initiator of action at a local level. Many 'mainstream' positions in local government have a strong environmental focus and the expansion of local government responsibilities for ESD is generating employment opportunities in these fields. The Committee is also aware of the diversity of environmental issues facing different local governments and the challenge of finding the resources and retaining the skilled personnel to address these issues.
- 4.61 The Australian Government is responsible for setting national policy frameworks and demonstrating leadership in ESD to industry and other levels of government. Leadership and facilitative assistance is particularly important for local governments which are increasingly assuming responsibility for environmental management and sustainable development. In many instances, they are the 'front-line' implementation of ESD. Local governments also face particular issues of economies of scale and limited resources.

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25 Submission no. 26, p. 196.



- 4.62 There is a role for Australian Government departments and agencies to provide assistance for local governments to develop expertise, network and share information and resources. The Committee is aware that DEH does currently manage various programs with local governments to assist in the implementation of ESD and, in this regard, DEH provides an important facilitative role.
- 4.63 The Local Agenda 21 program assists local governments to integrate environmental, social and economic objectives. The Local Agenda 21 was developed from the global blueprint for sustainability that was agreed at the United Nations Conference on Environment and Development in 1992 (the Rio Earth Summit). It identifies local authorities as the sphere of governance closest to the people, and provides a framework for local authorities to consult with their communities and develop and implement a local plan for sustainability. The program aims to build upon existing local government strategies and resources (such as corporate plans, vegetation management plans, and transport strategies) to better integrate environmental, economic and social goals.
- 4.64 Although developed in 1992, the Local Agenda 21 program is active in Australia and continues to provide the principles for sustainable development at the local government level. DEH provides a number of guides to assist local government authorities in the implementation of the Local Agenda 21 program. The Australian Government is also developing a national framework of milestones for local governments to measure the implementation of Local Agenda 21.
- 4.65 The national framework will assist local governments to systematically assess their progress towards sustainability. Consultation during the development of the draft framework suggested that there was local government support for this initiative.
- 4.66 DEH recently called for feedback on the proposed Local Sustainability Assessment Framework. The results of this feedback process and the final framework is expected to be available in late 2003.
- 4.67 DEH also brought to the Committee's attention the Environs initiative which aims to foster better cooperation and share information across local governments. DEH explained that:
- ... there is a so-called local government environment network called Environs based in Melbourne to which local governments around the country can subscribe. It is unrelated to their membership of the Australian Local

Government Association but, where any sized local government authority wants to buy in, Environs acts as a facilitator, a provider of information and an arranger of some cooperative activities between multiple local governments.<sup>26</sup>

## Environment Resource Officer Scheme

4.68 DEH gave evidence to the Committee that:

... the Department of Environment and Heritage has had a program of environmental cooperation with local government. In a concrete sense, perhaps the most visible form of that at the moment is funding of what we call 'environmental resource officers' in the relevant state-local government associations in each state. Each of those officers has a responsibility to act as a facilitator and a coordinator of action within the state, as the disseminator of information and particularly as a bridge between the national and local levels of government.<sup>27</sup>

4.69 The Environmental Resource Officer (ERO) Scheme places dedicated officers in the peak local government associations in each State and the Australian Local Government Association, to assist councils to better manage their local environments, especially through improved take-up of Australian Government programs.

4.70 The ERO Scheme was established in 1993 to assist in delivery of Australian Government environmental programs and policy information at the local level, creating an Australian Government - local government linkage.

4.71 There are currently eight EROs. One officer is employed in the peak Local Government Association of each State and the Northern Territory. One national ERO is employed by the Australian Local Government Association. The objectives of the Scheme are to:

- Facilitate the delivery of Australian Government environmental programs to local governments;
- Improve the environmental management performance of local governments;
- Provide local governments with information about DEH policies and programs; and

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26 *Transcript of Evidence*, p. 69.

27 *Transcript of Evidence*, pp. 68-69.

- Facilitate the development of strategic partnerships between DEH, local governments and regional bodies.

4.72 The ERO scheme was funded until 30 June 2003. The Committee is of the view that work with local governments is important to provide 'on the ground' local initiatives and to ensure a unified approach to ESD from all levels of government. The Committee supports the work being done and is pleased to note that ERO funding was extended in the 2003-04 Australian Government Budget. The Committee supports the continuation of this funding into future years.