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Treasury
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Dear Measuring What Matters team,

RE: Submission to Treasury consultation on Measuring What Matters

The Australian Land Conservation Alliance (ALCA) welcomes the opportunity to provide a submission to the Measuring What Matters consultation regarding the development of environmental indicators for Australia's wellbeing budgets. Also enclosed is ALCA's earlier submission of 31 August 2022 on the same topic, made in advance of Australia's inaugural wellbeing budget in October 2022.

Please note that ALCA is happy for this submission to be published in full.

About the Australian Land Conservation Alliance

The Australian Land Conservation Alliance is the peak national body representing organisations that work to conserve, manage, and restore nature on privately managed land. We represent our members and supporters to grow the impact, capacity, and influence of private land conservation to achieve a healthy and resilient Australia. Our eleven members are:

- Australian Wildlife Conservancy
- Biodiversity Conservation Trust NSW
- Bush Heritage Australia
- Greening Australia
- Landcare Australia
- Nature Foundation
- Queensland Trust for Nature
- South Endeavour Trust
- Tasmanian Land Conservancy
- The Nature Conservancy Australia
- Trust for Nature (Victoria)

ALCA member land conservation efforts have influenced over 3 million square kilometres with more than 4,000 landholders. We have over 70,000 supporters and our combined annual turnover exceeds \$260 million. Together, ALCA and its members address some of the most pressing conservation issues across the country, including restoring endangered ecosystems, building the protected area estate, tackling invasive species, expanding private conservation finance, and deploying nature-based solutions to tackle climate change.

Through their active land management, ALCA member organisations are deeply embedded in rural communities and economies, providing jobs, securing significant regional investment, and safeguarding remaining native habitat, with its many positive spill-over effects for community, wellbeing, and food security. We seek to demonstrate the role and value of private land conservation as a cornerstone of the Australian economy.

Some ALCA members are statutory entities; the views expressed in this submission do not necessarily represent the views of the Government administering those statutory entities.

Overview

ALCA provided a submission on prospective indicators for wellbeing and the environment in the lead up to Australia's inaugural wellbeing budget in October 2023. That submission is enclosed for your reference.

The accelerating nature crisis facing our nation must be urgently addressed if we are to prevent a sharp decline in Australia's social and economic wellbeing.

Whilst the nature crisis is less well-known than the parallel, albeit interconnected, climate crisis, it is just as serious for our society and economy. A recent report has confirmed Australia's trajectory towards the collapse of ecosystems¹ and we have seen the largest documented decline of biodiversity than any other continent in the world².

More broadly, according to the World Economic Forum:

"Humanity has already wiped out 83% of wild mammals and half of all plants and severely altered three-quarters of ice-free land and two-thirds of marine environments. One million species are at risk of extinction in the coming decades – a rate tens to hundreds of times higher than the average over the past 10 million years...."

*Human societies and economies rely on biodiversity in fundamental ways. ...over half the world's total GDP – is moderately or highly dependent on nature and its services."*³

Using the same methodology, **approximately half of Australia's GDP has also been demonstrated as having a moderate to very high dependence on nature**⁴.

The scale and devastation that the unfolding nature crisis will have upon our collective wellbeing will dwarf all but the very biggest issues facing our nation and will rival them in importance. As per the British Government's Dasgupta Review:

*"We are facing a global crisis. We are totally dependent upon the natural world. It supplies us with every oxygen-laden breath we take and every mouthful of food we eat. But we are currently damaging it so profoundly that many of its natural systems are now on the verge of breakdown."*⁵

The key findings of the Federal Government's 2021 State of Environment Report highlight the seriousness of the nature crisis as specific to Australia:

*"Overall, **the state and trend of the environment of Australia are poor and deteriorating** as a result of increasing pressures from climate change, habitat loss, invasive species, pollution and resource extraction. Changing environmental conditions mean that many species and ecosystems are increasingly threatened. Multiple pressures create cumulative impacts that amplify threats to our environment, and abrupt changes in ecological systems have been recorded in the past 5 years.*

...Our inability to adequately manage pressures will continue to result in species extinctions and deteriorating ecosystem condition, which are reducing the

¹ See: Bergstrom et. al, 'Combating ecosystem collapse from the tropics to the Antarctic', *Global Change Biology*, 2021; <https://onlinelibrary.wiley.com/doi/10.1111/gcb.15539>

² See: DCCEEW; <https://www.dcceew.gov.au/environment/biodiversity/conservation>

³ See: World Economic Forum, *Nature Risk Rising: Why the Crisis Engulfing Nature Matters for Business and the Economy*, January 2020; <https://www.weforum.org/reports/the-global-risks-report-2020>

⁴ See: Australian Conservation Foundation, *The nature-based economy: How Australia's prosperity depends on nature*, September 2022; <https://www.acf.org.au/how-australias-prosperity-depends-on-nature>

⁵ See: p1, Dasgupta, P. *The Economics of Biodiversity: The Dasgupta Review*, HM Treasury, Government of the United Kingdom; <https://www.gov.uk/government/publications/final-report-the-economics-of-biodiversity-the-dasgupta-review>

environmental capital on which current and future economies depend. Social, environmental and economic impacts are already apparent.⁶

Indeed in 2021, Australian scientists confirmed evidence that already 19 of Australia’s ecosystems have either collapsed or are collapsing⁷.

ALCA’s two key propositions from this earlier submission therefore remain unchanged, namely:

1. **The Federal Government’s ‘wellbeing budget’ is a key opportunity to recognise and integrate the importance of protecting, restoring, and managing our environment to safeguard and improve Australia’s food security, health, and economic outcomes; and**
2. **Appropriate environmental wellbeing indicators can help to reorient the strategic direction of Government budget measures and allocations to account for the importance of nature to all Australians.**

Recommendations

ALCA recommends that Treasury adopt the following environmental indicators in ‘Measuring What Matters’:

1. Biodiversity

As outlined above, biodiversity is of fundamental importance to the food security, health, and economic wellbeing of all Australians.

However, whilst the relevant OECD indicator – the Red List of Threatened Species – does help to capture the trend of Australia’s environment decline, it only does so only at the threshold of serious concern, rather than tracking the overall quality, quantity and resilience of Australian biodiversity and natural capital. The Red List of Threatened Species should therefore be used as a supplementary indicator rather than as a leading indicator for biodiversity.

A Protected Area, as per the IUCN⁸ definition, is “*a clearly defined geographical space, recognised, dedicated and managed, through legal or other effective means, to achieve the long term conservation of nature with associated ecosystem services and cultural values*”.

This definition is utilised by the Commonwealth Government in its Collaborative Australian Protected Area Database⁹ (‘CAPAD’), in its current Strategy for Australia’s National Reserve System¹⁰ and in its stated policy goal of achieving protection of 30% of Australian lands and 30% of Australian seas by 2030¹¹. **Protected Areas are a widely used and easily assessable indicator to measure active biodiversity conservation efforts.**

Further details are available on Protected Areas and Australia’s National Reserve System on the DCCEEW website at: <https://www.dcceew.gov.au/environment/land/nrs/about-nrs/requirements>.

The **leading indicators** for biodiversity should therefore be:

1. The proportion of Australia’s lands (including freshwater) that are Protected Areas
2. The proportion of Australia’s seas that are Protected Areas¹²

⁶ See: 2021 State of Environment Report; <https://soe.dcceew.gov.au/overview/key-findings>

⁷ As above, n1

⁸ International Union for Conservation of Nature; the Commonwealth is a member of the Union (via its relevant Departments); see: <https://www.iucn.org/our-union/members/iucn-members>

⁹ See: DCCEEW, <https://www.dcceew.gov.au/agriculture-land/land/nrs/science/capad/2020>

¹⁰ See: DCCEEW, <https://www.dcceew.gov.au/sites/default/files/documents/nrsstrat.pdf>

¹¹ See: DCCEEW, *Threatened Species Action Plan 2022-2032*;

<https://www.dcceew.gov.au/environment/biodiversity/threatened/action-plan>

¹² Modelled on SDG indicator 15.1.2; see: Goal 15, Sustainable Development Goals, Department of Economic and Social Affairs, United Nations; <https://sdgs.un.org/goals/goal15>

The sub-indicators for biodiversity should be:

- i. The proportion of Protected Areas on land by IBRA bioregion¹³
- ii. The proportion of Protected Areas on sea by marine bioregion¹⁴
- iii. The IUCN Red List Index of Threatened Species for Australia, as per the OECD indicator, which “shows trends in overall extinction risk for species, and is used by governments to track their progress towards targets for reducing biodiversity loss”¹⁵
- iv. The extent of remnant native vegetation in Australia¹⁶

2. Access to green space

Access to green space is a useful indicator of health and social wellbeing related to the environment, and ALCA supports the adoption of the relevant OECD indicator, namely, “the share of the urban population with access to recreational green space within 10 minutes’ walking distance from their home”.

However, this indicator should only be in addition to the biodiversity indicators outlined above and not be used to displace them.

ALCA recognises that data on access to green space does not appear to be currently collected across Australia but recommends that the indicator be adopted as soon as data can reliably be collected.

3. Greenhouse gas emissions

ALCA supports the adoption of the OECD indicator, namely, “the tonnes of CO₂-equivalent per capita emitted by Australia”¹⁷, as per Australia’s National Greenhouse Accounts¹⁸.

Thank you again for the opportunity to contribute to the Treasury’s consultation on ‘Measuring What Matters’ in forthcoming Federal Budgets.

ALCA and its members look forward to ongoing engagement with the Treasury to ensure that the condition of our environment and its impact on Australians is adequately measured and reported.

Australian Land Conservation Alliance

¹³ Interim Biogeographic Regionalisation for Australia; see: DCCEEW, <https://www.dcceew.gov.au/environment/land/nrs/science/ibra>

¹⁴ See: DCCEEW, <https://www.dcceew.gov.au/environment/marine/marine-bioregional-plans>

¹⁵ See: International Union for Conservation of Nature; <https://www.iucnredlist.org/assessment/red-list-index>; aligns with SDG indicator, 15.5.1

¹⁶ National Vegetation Information System (NVIS); see: DCCEEW, <https://www.dcceew.gov.au/environment/land/native-vegetation/national-vegetation-information-system>

¹⁷ Aligned with SDG indicator 13.2.2; <https://sdgs.un.org/goals/goal13>; and the Australian Institute of Health and Welfare: <https://www.aihw.gov.au/reports-data/indicators/australias-welfare-indicators/environment/environment>

¹⁸ See: DCCEEW, <https://www.dcceew.gov.au/climate-change/emissions-reporting/tracking-reporting-emissions>