

11 December 2007

Mr Matthew Morris MP Chair, Public Bodies Review Committee Parliament House Macquarie St SYDNEY NSW 2000

By email: pbrc@parliament.nsw.gov.au

Dear Mr Morris

Re: Inquiry into Environmental Impact Reporting in the NSW Public Sector

The Environment Institute of Australia and New Zealand applauds the NSW Public Review Committee for undertaking this Inquiry into environmental impact reporting in the NSW public sector. We apologise for the delay in making this submission, however I understand from discussions with Samantha Ngui from your office on 8 November, that you would welcome a submission from the Institute, even if it was made after the closing date.

The Environment Institute of Australia and New Zealand is the peak professional body for environmental practitioners in Australasia, and promotes independent and interdisciplinary discourse on environmental issues. The Institute advocates that best environmental practices be delivered by competent and ethical environmental practitioners.

The Institute believes the long-term solutions to many of society's challenges, such as water and climate change, depend on our ability to better integrate environmental, social and economic considerations into planning and decision making. This is the fundamental premise of sustainability. Doing so will help us "meet the needs of the present without compromising the ability of future generations to meet their own needs" – sustainable development as defined by the World Commission on Environment and Development in 1987.

Sustainability is a goal embraced by communities, business and governments. A number of tools and approaches have been developed to support this goal. Public disclosure of environmental, social and economic performance by organisations, and the associated

requirements to set targets, commit to taking action, and establish management systems to measure and review performance, is one of the most important of these tools and approaches.

More specifically, the Institute believes reporting on a public sector organisation's environmental performance should be:

- Widely adopted as a high priority for public sector bodies;
- Based on the Global Reporting Initiative and allied reporting systems, and meet or exceed the standards of public environment reporting within the private sector in the same jurisdiction:
- Prepared with input from, and be accessible to, external stakeholders;
- Prepared by an accountable, competent (certified) professional; and
- Verified by an independent accountable, competent (certified) professional.

The Institute understands that environmental reporting in the NSW public sector is currently based on a number of NSW Government commitments made on an issue by issue basis, such as on energy, waste, etc. Reporting of performance against these commitments is not coordinated across all public bodies, with some public bodies disclosing their performance under these Government commitments, while others report performance against a wider range of environmental performance indicators, and others do not systematically report environmental performance. It therefore appears to be a piece-meal approach.

In our view, the NSW Government should be leading the community on environmental performance. This would require the Government to establish a program for improving performance, which includes:

- Demonstration of the Government's commitment to the environment by making a public commitment to leading on the environment reporting within its own operations;
- Identification of a set of performance indicators as the basis for defining, guiding and assessing that leadership;
- Setting targets for performance across all public bodies;
- Establishing a program to support the implementation of environmental management systems within public bodies (or similar systems that are integrated into business management systems) to measure and review performance;
- Establishing a requirement for the public disclosure of environmental performance on an annual basis, preferably alongside the requirement for reporting on financial performance and on the achievement of service objectives; and
- Introducing a requirement for an independent review of performance across all public bodies.

The Institute commends the system established by the Victorian Government to the Committee. The Victorian Government introduced an Environmental Management Systems program to its core agencies that covers office-based activities. This reflects the Victorian Government's commitment for the public sector to lead on resource use efficiency, and to be transparent and

accountable for their performance. The Victorian Government has also announced its intention to extend the program to a wider group of agencies.

Further, in 2003 the Victorian Government appointed a Commissioner for Environmental Sustainability. The Commissioner is required, under the Commissioner for Environmental Sustainability Act, 2003, *inter alia* to "conduct annual strategic audits of, and prepare reports on, the implementation of environmental management systems by Agencies and public authorities".

This approach, to establish a program of introducing environmental management systems and for the oversight of the program by an independent Commissioner, appears to be one the NSW Government can and should seek to emulate.

The Institute looks forward to seeing the progress made by your Committee, and would welcome the opportunity to expand on any points made in this submission. You can contact me further on 9277 2390 or anita.mitchell@lendlease.com.au should you require further information or comment.

Yours' sincerely,

Anita Mitchell,

President, NSW Division

Environment Institute of Australia and New Zealand