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# SUSTAINABILITY FOR THE NSW PUBLIC SECTOR

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A whole of Government  
approach

**Sustainability is about better meeting the needs of current and future generations through simultaneous environmental, social and economic improvement.**

Focus on the future  
The Western Australian State Sustainability Strategy  
Consultation Draft  
September 2002

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# What is Triple Bottom Line?

- ❖ Accounting?
  - ❖ Reporting?
  - ❖ Managing?
  - ❖ Integrating?
  - ❖ At its broadest TBL is an integrated philosophy requiring a organisation to address its economic, social and environmental values, strategies and processes.
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# Government adoption of TBL can serve two functions

*To align government operations with environmental, social and economic priorities:* which relates to how government agencies manage, operate and report on their own business activities. These include environmental aspects such as use of vehicles, paper recycling, power and water consumption and waste management; economic aspects such as procurement policies for goods and services and regional development; and social aspects such as access and equity, health and education. More broadly this dimension relates to the impact (both positive and negative) that an organisation has on society, the economy, and the environment.

Source: The Triple Bottom Line in the Public Sector

The Allen Consulting Group, May 2002

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# Government adoption of TBL can serve two functions

*To regulate and/or influence the broader community and businesses:* which relates to the policies and legislation created by the government for promoting and regulating private sector activities and how these policies and legislation facilitate sustainable development and TBL reporting in the private sector.

Source: The Triple Bottom Line in the Public Sector

The Allen Consulting Group, May 2002

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# Core Characteristics

- ❖ Accepting accountability
- ❖ Being transparent
- ❖ Integrated planning and operations
- ❖ Committed to stakeholder engagement
- ❖ Multi-dimensional measurement and reporting

Source: The Triple Bottom Line in the Public Sector

The Allen Consulting Group, May 2002

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# Why TBL in the public sector?

Firms that are more environmentally and socially responsible are more profitable and provide greater returns and lower risks to shareholders.

There is no reason why that logic should not apply to the public sector, too.

That's the challenge of the sustainable corporation – and sustainable government – as we struggle to bring two generations of over-reach to an end...

Sustainability is the only answer.

Bob Carr, 29 August 2002

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# TBL in NSW: how to?

- ❖ Establishing TBL reporting indicators for use by NSW Government agencies (Budget and GTEs) in annual reports
  - ❖ To span social, economic and environmental performance
  - ❖ Be robust enough to generate genuine change in agency behaviour, but concise enough to not bog agencies down in a reporting quagmire
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# The Process

- ❖ Senior Officers' Group
  - ❖ Discussion Paper
  - ❖ Consultation across Government
  - ❖ Recommendations on how to proceed
  - ❖ Chief Executive Commission
  - ❖ Cabinet Sub-committee
  - ❖ Sustainability Commission
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# Key Issues

- ❖ More than simply repackaging existing reporting
  - ❖ Relationship to other reporting requirements including Annual Reports, licensing, EEO, environmental, OH&S, ISO
  - ❖ Integrating social, environmental and economic
  - ❖ Government indicators or sector indicators
  - ❖ Stakeholder engagement: whole of government vs agency level
  - ❖ A chorus of champions – Public Service and Government
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# Why 'social' lags behind

- ❖ Weaker public lobby
  - ❖ Environmental considerations have led sustainability discussion
  - ❖ Magnitude of the task
  - ❖ Silos and even clusters dominate
  - ❖ Not a strength in intellectual examination
  - ❖ Little Australian literature
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# Possible Social Indicators

- ❖ Employment, training and career development opportunities for disadvantaged groups in the labour market
  - ❖ Family friendly work practices
  - ❖ Consumer complaints procedures and quality improvement practice
  - ❖ Occupational health and safetyCommunity consultation and participation practice
  - ❖ Initiatives about employee volunteering and employee giving for community purposes
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# Possible Social Indicators (cont'd)

- ❖ Agency investment in community development (e.g. specific program and project funding, skills transfer, equipment donations, infrastructure pricing, etc)
  - ❖ Conduct of recognised and independent social impact assessment as part of any major development proposal
  - ❖ Adoption of purchasing policy which encourages the achievement of the above outcomes in supplier organisations
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# Possible Economic Indicators

- ❖ Regular and transparent financial reporting measures
  - ❖ Conduct of recognised and independent financial impact assessment as part of any major development proposal
  - ❖ Revenue and expenditure outcomes as measured against estimates
  - ❖ Adoption of purchasing policies which maximise inventory being filled by local suppliers (within region in which agency operates)
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# Possible Environment Indicators

- ❖ Conduct of recognised and independent environmental impact assessment as part of any major development proposal
  - ❖ Setting, meeting and improving waste reduction targets
  - ❖ Level and quality of strategies to enhance environmental protection
  - ❖ Adequate performance in meeting any specified pollution reduction targets (e.g. air quality)
  - ❖ Adoption of purchasing policy which maximises suppliers with good environmental credentials
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# The Quest for Integration

- ❖ Processes for infrastructure development
  - ❖ Place Management
  - ❖ Regional Planning
  - ❖ CEO Engagement
  - ❖ Cabinet commitment to sustainability
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# What about the Big Measures?

- ❖ A challenge...
  - ❖ How much CO<sub>2</sub> does the NSW Government emit on an annual basis?
  - ❖ How much water do we use?
  - ❖ How many Aboriginal people do we have in the SES?
  - ❖ How many mothers with toddlers?
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# A Sustainability Code of Practice for Government Agencies

- ❖ Applying sustainability principles in the discharge of agency functions
- ❖ Ensuring agencies' day-to-day activities are sustainable
- ❖ Supporting sustainability assessment of legislation, policies, agreements, Cabinet submissions and projects
- ❖ Monitoring and reporting on agency achievements and commitments to sustainability

# Proposed funding criteria for sustainability assessment of all projects in Planning and Infrastructure portfolio

Goal	Strategic Direction	Objective/Outcomes
<b>Economic</b>	Economic	Wealth Creation International Competitiveness Shared benefits to the community Secures jobs – long term High benefit cost ratio
<b>Environment</b>	Environment	Maintains ecological processes Improves use of natural resources (energy) Enhances natural and built environment Supports bio-diversity
<b>People and Communities</b>	Accessibility	Enhances transport choices Provides basic level of access Accessible for people with disabilities
	Social inclusion	Enhances vibrant communities Supports Indigenous communities
	Safety and health	Transport safety impacts Physical activity impacts Health impacts (third parties)

<b>Governance</b>	Integration	Land use/transport synergy Integrates transport modes Whole of government policies
	Financial	Internal rate of return First year rate of return
	Community involvement	Meets community needs Involves public Uses transparent processes

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# Redesigning the system by values



## **Warm values**

we have reached a state of global connectivity and effectiveness that where directly about environmental degradation, natural resources, long-term societal security and standard of living across top of the head of humanity.

it is a characteristic of system behavior that they reach "tipping" points where a number of events and feedback loops start to operate in the same direction.

we may reach the phase where enough states that our global economy and progress we thought we were heading to, that's billion economies are only topping an increased volume of it both here, where led us here, failed economies and well-being, our way of life maybe on a short-term course of misadventure.

we need to redesign an economy that works for all within the limits of the planet - global opportunities must go hand-in-hand with global equity and global responsibility. this means extracting a couple of additional security steps in our system.



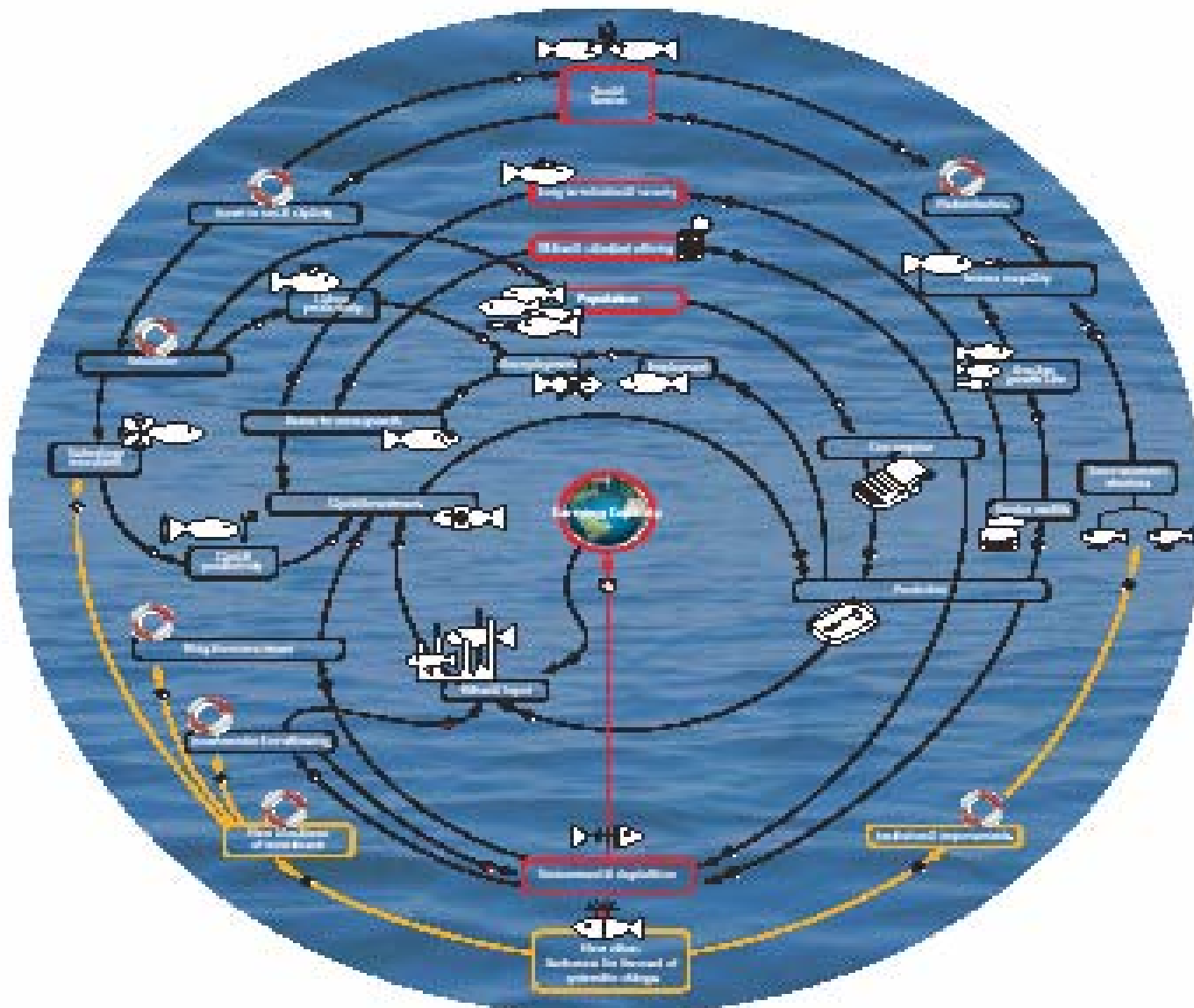
## **all borders of measurements**

we need to allocate precious resources to eco-efficiency, environmental protection and technology innovation. we need to reduce impacts and loss from the stresses of natural systems, not less depleting the system, the result might be the kind of every household, community, enterprise and region it has very local, daily connections will in global, this like greenhouse gases emissions.



## **multilateral improvements**

at the last element, the system can appreciate that even the "easy" sector division, sustainable development is a complex systems-challenge, a complex system, where we see a cycle or change needs a new approach and processes through an onward more efficient, and partnerships at all levels between key system participants and beneficiaries who can together manage improvements towards shared objectives. on the other hand strands better local, national and global institutions where alignment of objectives and compliance with common standards achieved.



# Where to from here?

**“The optimism of the action is better than  
the pessimism of the thought”**

Harald Zindler, Greenpeace Germany  
Circa 1980

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