

Wilderness Society Budget submission

Introduction and context

This brief Budget submission from the Wilderness Society is written from the perspective that it is in Australia's national interest to address the twin global crises of anthropogenic climate change and biodiversity loss. These are the foremost of our national challenges that without being properly addressed now are certain to result in irrecoverable million-year impacts to this continent and its people.

What is needed is a substantive mature response for both (biodiversity and climate) issues that undertakes the necessary immediate no-regrets investments required, phases out the harmful subsidies and expenditure and seeks to develop a sufficient whole-of-government financing framework. Sufficiency will be determined by the level of expenditure that results in:

- The necessary emissions reduction trajectory,
- A reversal of Australia's biodiversity decline trajectory,
- The Australian political economy no longer relies upon (or its politics is harmfully influenced by) fossil fuel extraction or industries that cause biodiversity loss.

There is some work needed to identify the threshold of funding to achieve these things and in this submission we will identify a series of no-regrets activities (particularly on the biodiversity side of the equation) that can/should be undertaken in the meantime, as well as the process the Treasury should undertake to determine the larger/longer-term quantum required.

We believe that in a world where these two crises are beginning to shape international relations, trade policy and national competitiveness, that Australia's record on both fronts will place an asterisk over our economic endeavours until the issues are satisfactorily resolved.

Australia is the only country that is also a mega-biodiverse continent. Our unique biodiversity is globally significant and globally irreplaceable. Yet our conservation record is among the world's worst and as this issue rises on the global stage alongside climate

risk it will not be able to be papered over. If Australia wants to remain globally competitive and a good ally to friendly nations then we will actually have to address our weak record. Our poor biodiversity record, alongside our climate record, is clearly a sovereign risk.

We envisage that through serious analysis Treasury would be able to identify the appropriate ongoing level of expenditure required but we caution that we believe the quantum required is likely to be better measured as a proportion of GDP rather than as a dollar figure (something in the order of 0.5% to 1%). The figure will be required to address 230 years of underinvestment and exploitation of our natural resources. It is a logical approach to consider that a nation that derives a sizeable element from its natural resource base reinvests in protecting and managing its key natural values.

Proposed Budget Measures

In regards to addressing Australia's sovereign risk associated with our poor biodiversity performance we've outlined a number of budget measures placed into two broad groupings:

- Funding to sufficiently meet currently unfunded government commitments, funding to resolve the backlog of existing Commonwealth environmental obligations (planning and implementation), and no-regrets actions that will be needed to support the wider agenda.
- Put in place a taskforce to scope and develop a new public national biodiversity funding approach.

Group one - immediate no-regrets budget measures

1. Fund the currently unfunded government commitments (or currently unfunded elements that prevent the implementation of existing commitments)
 - a. Strengthen the DCCEE's capacity to achieve biodiversity outcomes through staffing and resource increases (for current requirements and those emerging through the Government's response to the Samuel Review). This should include funding to ensure that strong Community Rights are enshrined in Environmental Decision-Making (CRED) in

Commonwealth laws and practices and that strong national standards are adopted.

- b. Provide recurrent baseline funding to establish the Independent EPA.
 - c. 30x30 commitment (included in associated proposed budget measure).
 - d. Zero species extinctions (included in associated proposed budget measure).
2. Address the sizeable government obligation funding backlog. Provide funding boost (over several years until the full funding program is developed) to address systematic Government non-compliance (nonfeasance that risks leaning towards misfeasance) with its international obligations (such as the World Heritage Convention) or with the clear statutory numerous obligations in the EPBC Act including species recovery planning, world and national heritage site identification and planning, threat abatement planning. In this combination of obligations the Commonwealth government is required to identify sites, species, ecological communities and threatening processes of concern, devise a plan to address them, implement or co-implement the plans and then review and remake the plan. Australian governments have ubiquitously ignored each element of these statutory obligations and as such there is a vast backlog in conservation and heritage planning, as well a near-universal lack of implementation of these plans. We recommend that a fund be established to address both the conservation/heritage identification backlog and a separate fund to address the implementation backlog.
3. Fund other no-regrets but necessary actions
 - a. Develop a 'national SLATS' (Statewide Land and Trees Study) that uses satellite data analysis and field data to monitor and report changes in woody vegetation extent and condition continentally, based on the QLD model.
 - b. Conduct a continental-scale biodiversity audit based upon the 2000 Land and Water Australia national land and water audit. This is necessary to provide a detailed baseline of

biodiversity, inform investor biodiversity risk approaches, and track performance over time in a meaningful way.

- c. Review National Disaster Resilience and Response funding arrangements to explicitly include biodiversity and nature. It is important that the Federal Environment Minister formally contributes to whole-of-government deliberations in regards to preparedness for upcoming bushfire seasons, well ahead of those fire seasons (which means on an ongoing basis), as well as the whole-of-government contracting of aerial firefighting assets focussed on rapid-response in natural areas. Also that the Government responds to the recent listing of inappropriate fire regimes as a Key Threatening Process by developing a Threat Abatement Plan that incorporates lessons from the 'Bushfire' Royal Commission.

Group two - National biodiversity public funding taskforce

This taskforce should be responsible for investigating and scoping the quantum of public effort required to address Australia's biodiversity decline including:

1. Develop a national accounting standard and reporting framework for public financing of biodiversity activities. Currently there is no explicit measure of state and Commonwealth public funding for these activities. There is double and triple counting and considerable blurring of biodiversity and non-biodiversity expenditure.
2. Conduct an independent audit of state and Commonwealth public expenditure on biodiversity using the newly developed accounting standard.
3. Develop a set of definitions or criteria to identify government expenditure that negatively impacts biodiversity.
4. Carry out an audit of government expenditure that negative impacts biodiversity based on those definitions/criteria. Seek to phase out these subsidies (as per the Biodiversity COP target).
5. Advise the Commonwealth Grants Commission that it's current position (not to consider nature funding) in their distributional formula is archaic and wrong.
6. Identify biodiversity conservation, restoration and management funding needs

based on known government obligations (EPBC, World Heritage, post-Samuel Review, COP15 targets).

7. Develop recommendations on how best to raise and distribute the funding required to meet the obligations identified above.

Other budget measures recommended by the Wilderness Society

Ending fossil fuel industry support

- The Australian Government should end offshore petroleum acreage release, support the surrendering of existing exploration and production permits, and discontinue funding for fossil fuel projects.
- Geoscience Australia and the Australian Institute of Marine Science should no longer be required to support the fossil fuel sector.

Oil and Gas decommissioning

- The Australian Government should make the current decommissioning levy permanent.
- The Treasury should review the way the current accounting standards for decommissioning hide risks in favour of the company and against the interest of the Government and taxpayer.
- The Treasury should conduct a whole-of-industry assessment of decommissioning liabilities in order to better document the risks to taxpayers. This industry-wide risk should be reflected in the budget statement of risks.

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