



Vinyl Council Australia

Vinyl Council of Australia

ABN 85 083 012 533

P.O. Box 211
Richmond VIC 3121
Telephone 03 9368 4856
Facsimile 03 9369 2267

11 May 2006

Via email: Environment.Reps@aph.gov.au

Environment and Heritage Committee
House of Representatives
Parliament House
Canberra ACT 2600

Dear Sir or Madam

Inquiry into a Sustainability Charter

We are please to submit our response, attached, to the Discussion Paper on the *Inquiry into a Sustainability Charter*. The opportunity to respond is welcome and we would be pleased to provide clarification on any the matters we raise should this be required.

Yours faithfully

Sophi MacMillan
Chief Operating Officer

Encl.



Inquiry into a Sustainability Charter

Submission by the Vinyl Council of Australia to the House of Representatives' Standing Committee on Environment and Heritage.

We have read the Discussion Paper on the Inquiry into a Sustainability Charter and understand its purpose is to scope some of the key areas central to the preparation of a sustainability charter, in order to assist the Australian Government in developing a sustainability charter for ratification at a meeting of COAG.

As an industry association representing the PVC manufacturing sector in Australia, which has strong interest in the building and construction, water and infrastructure sectors, we submit the following comments for consideration, particularly in respect of the implications of a sustainability charter on the built environment.

Principles of a Sustainability Charter

We agree that the Australian Government should assume a leadership role in advancing a sustainable future for Australia, and we believe that the built environment is a key aspect of the economic, social and environmental well-being of the country. As such, it is an important sector for consideration within the Charter.

In developing a sustainability charter, wide consultation - with the views of all sectors of the community treated equally - is needed. Without such an approach, it leads to a narrow definition of sustainability with an unhealthy emphasis on the environment and a diminished focus on the remaining "pillars" of sustainability: society and the economy.

Reference is made in the discussion paper to Sweden's approach to environmental objective setting and sustainability. "This challenge demands of the nation not only targets of sustainability, but solutions to current environmental issues", the discussion paper states (p.7). In order to develop solutions in Australia, it will be necessary to clearly define the issues (including social and economic aspects, not just environmental). All sectors of the community should be involved and engaged in this process. The focus of the Charter would be on nationally significant aspects such as energy, water, social equity etc.

While supporting the need for a sustainability charter to be aspirational, the desired outcomes sought by the implementation of a sustainability charter should be clearly stated and the journey to reach those outcomes should allow for flexibility in approach and encourage innovation and local development.

Unless otherwise defined, a 'sustainability charter' is understood to relate to all three "pillars" of sustainability – economic, social and environmental. It will be necessary to understand the environmental, economic and social costs and benefits of various strategies and, in doing so, recognise that trade-offs are inevitable. The most environmentally beneficial solution may have unacceptably high social or economic costs. It will require negotiation for a balance of these aspects in order to optimise the sustainability outcome, and parameters need to be defined up front to guide decision-making.

Cont./

Precautionary Approach

The paper refers to the State Sustainability Strategy for Western Australia. WA's sustainability framework includes a precautionary approach (p.9) as a foundation principle. What is often referred to as the "Precautionary Principle" is an approach, rather than principle, which is, in some respects, difficult to apply, particularly by governments. Its strongest definitions require the unattainable proof of absence of risk (present and future); weaker definitions rely on often costly action based on potential hazards, requiring proof of no harm where significant risk has not been found.

The original definition of the precautionary approach, developed as the Rio Declaration Principle 15, and upon which one of the principles of WA's sustainability framework appears to be based, has been amended at the more recent World Summit on Sustainable Development in Johannesburg, South Africa in 2005.

The amendment reinforces science-based decision-making as the preferred approach for regulatory decisions. It also clearly refers to "cost effective measures" to prevent environmental degradation. Paragraph 109 (f) of the WSSD text states:

Promote and improve science-based decision-making and reaffirm the precautionary approach as set out in Principle 15 of the Rio Declaration on the Environment and Development, which states: "In order to protect the environment, the precautionary approach shall be widely applied by States according to their capabilities. Where there are threats of serious or irreversible damage, lack of full scientific certainty shall not be used as a reason for postponing cost-effective measures to prevent environmental degradation."

While we accept precaution in decision-making, we recommend that policy decisions are based on reputable science and risk assessment. The danger otherwise is that there is potential to discriminate against an environmentally, socially, or economically legitimate measure or material.

Green Procurement

Environmental purchasing policies and guidelines necessitate evaluations of products and, frequently, comparative assessments that one product is "greener" than another. There are examples of green purchasing programs based on subjective value judgements and others based on more objective criteria; it is an inherently difficult task when based on a prescriptive approach (specifying particular products/brands that may, or may not be used) rather than on desired, measurable performance outcomes for products/applications (for example, low embodied energy, low emissions of volatile organic compounds etc).

We would support green procurement policies where the environmental performance of goods and services is assessed using reputable science and life cycle assessment. Whole-of-life evaluation is needed to ensure that adequate assessment of the life cycle costs of the product and its fitness for purpose are considered. Procurement policy based on a principle of selection on merit is appropriate, whereby all products are considered in terms of their fitness for purpose, life cycle cost and environmental impact and reputable science is used for evaluating environmental impacts. Such a principle currently exists in the Policy Statement: NSW Government Procurement (1999) which states (p.23):

Cont./

Strategy 12

Mainstreaming Ecologically Sustainable Development in procurement:

Service providers will be required to demonstrate their environmental management and environmental performance capability.

Products will be assessed equally and impartially on their demonstrated comparative merits in terms of performance, cost and environmental impacts. Expert scientific opinion, where available, should form the basis for such comparisons.

This principle not only reinforces science-based decision-making, it treats all products equally.

Built Environment Objectives

Rather than give examples of specific objectives to be set for the built environment, we focus here upon the key parameters upon which objectives might be based. These are:

- The principle of selection on merit as defined above;
- The desired, measurable, performance outcomes, rather than a prescriptive or penalising approach, since the former encourages all industries within the building and construction sector to strive for improvement to demonstrate their products perform and provides a level playing field in which to compete;
- Consistency across all of government; and
- Equal focus on the three “pillars” of sustainability, particularly ensuring the consideration of social outcomes, such as protection of housing affordability.

We welcome the opportunity to comment on the Paper and would be pleased to provide clarification on any points raised.

0000