

Secretary: *Roh Little*

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HOUSE OF REPRESENTATIVES
STANDING COMMITTEE ON
ENVIRONMENT AND HERITAGE**NT RESPONSE TO INQUIRY INTO SUSTAINABILITY CHARTER**

The NT believes that a Sustainability Charter should consist of both an aspirational statement and set targets. The Charter should be framed in such a way that it is integrated into all levels of government decision making.

The question as to whether there will be a cost or a gain to the economy will be a contentious one as we have seen with potential reductions of greenhouse gases. This issue needs independent, transparent analysis with the externalities of long term social and economic impacts included into any economic comparisons.

There are currently a range of COAG reform initiatives which are being implemented which have implications for sustainability. These include the National Water Initiative, the National Reform Agenda (energy, climate change and freight transport reform measures) and the Australian Energy Market Agreement. It would be important to ensure that a proposed national Sustainability Charter contains agreed standards and outcomes that are consistent with existing national reform initiatives.

It would also be important to conduct a study to determine the quantum of net economic benefits of such a Charter and the distribution of such benefits.

The 2005 Productivity Commission Inquiry into National Competition Policy (NCP) found that the institutional arrangements including incentive payments and penalties for non-compliance provide a useful model for pursuing nationally coordinated reform.

The NT Government considers that the general NCP framework, including an overarching agreement with clearly defined policy principles/objectives and roles and responsibilities of respective governments, combined with a financial framework that ensure that the States and Territories share in the national benefits of reform and have strong incentives to pursue reform, is an effective basis for a national reform framework. An independent statutory authority, responsible for monitoring reform progress and compliance with the reform agreement, and reporting to COAG, is an important component of such a framework, as demonstrated by the relative success of NCP.