Measuring what matters - submission

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JANUARY 2023

This submission argues that the Treasurer's vision of an "overarching" progress and well-being framework must:

- Acknowledge that the strongest drivers of climate change (an existential threat) are GDP growth per capita and population growth. ""Globally, Gross Domestic Product (GDP) per capita and population growth remained the strongest drivers of CO2 emissions from fossil fuel combustion in the last decade (high confidence)." First identified in 1990, the science behind this finding has been 'unequivocal' since 2007. https://www.ipcc.ch/report/ar6/wg3/downloads/report/IPCC_AR6_WGIII_TS.pdf This is problematic for Treasury as it is counter to its culture/ideology of both endless GDP and population growth. It is the elephant in the well-being room. How many storms, floods, heat waves, droughts, bush fires, sea-level rises and extinctions will it take until the nation's demographers, economists and policy-makers prioritise the unequivocal science? The existential threat trumps 'well-being'.
- Acknowledge that the *Australia State of the Environment 2021* report in its overview finds "In a rapidly changing climate, with unsustainable development and use of resources, the general outlook for our environment is deteriorating. Overall, the state and trend of the environment of Australia are poor and deteriorating as a result of increasing pressures from climate change, habitat loss, invasive species, pollution and resource extraction." And "Population, climate change and industry each put pressure on our environment. When combined, the threat increases and our environment is damaged – sometimes destroyed." While the treatment of the population driver lacks consistency and is spread throughout the document, there is no doubt that it is the strongest driver of damage. A summary of the diffuse treatment of population across the report is at the end of this submission.
- Accept and act on Australia's vote for the successful UN General Assembly motion (July 2022) that inter alia "Recognizes the right to a clean, healthy and sustainable environment as a human right" and "Calls upon States, international organizations, business enterprises and other relevant stakeholders to adopt policies, to enhance international cooperation, strengthen capacity-building and continue to share good practices in order to scale up efforts to ensure a clean, healthy and sustainable environment for all." https://digitallibrary.un.org/record/3982659?ln=en A right is far stronger than a state of "well-being".
- Provide comprehensive robust data on the full impact of recent levels of population growth. None of the major parties went to the May 2022 election with policies of high population growth yet the country finds itself again looking at world-high population growth courtesy of migration. A clear majority of Australians regularly oppose high levels of population growth in robust independent surveys and polls, as well as in their personal fertility choices. COVID provided a unique opportunity to acquire solid data on the impact of zero population growth. Where is it? The Executive Summary of the December 2021 Treasury Paper describing Treasury's FIONA model (fiscal impact of migration) notes: "This estimate captures tax revenues and government expenses incurred by Commonwealth, State and Territory Governments that are directly attributable to migrants." and 'However, it [fiscal impact] is only one, partial metric. Australia's migration program exists for a variety of reasons and results in many benefits and costs that go beyond fiscal outcomes. Accordingly, the results from this paper should not be used in isolation to evaluate the migration program without consideration of these broader social, economic, and environmental outcomes." This leaves a lot of uncovered territory. https://treasury.gov.au/publication/p2021-220773

- Engage with, and either agree or refute, the arguments made by Sustainable Population Australia in their discussion papers, briefing notes and submissions on key population issues such as ageing, infrastructure, the environment, climate change, water supply, migration and surveys of public opinion. https://population.org.au/
- Engage with, and either agree or refute, the critical economic analysis on migration, property and well-being issues found in the Macrobusiness newsletter https://www.macrobusiness.com.au/

Conclusion

It is axiomatic that any discussion of "well-being" needs to be cognisant of existential threats to the lives of the subjects. The conundrum for Treasury is its history of pushing the endless growth ideology when the world is falling apart around them. Will the final framework be part of the problem or part of the solution?

Further details of evidence for my thinking can be found in my submission to the RBA Review at https://consult.rbareview.gov.au/public-submissions/view/54

Thank you for the opportunity to comment.

APPENDIX

Treatment of Population in *Australia: State of the Environment 2021*

The treatment of the population driver is 'diffused'. The Overview document differentiates between 'people', 'climate change', and 'cumulative pressures' where 'population' is one of three 'human pressures'. These combine to threaten our environment. The Overview states "Population, climate change and industry each put pressure on our environment. When combined, the threat increases and our environment is damaged – sometimes destroyed." Given the IPCC has population growth as one of the two strongest drivers of climate change, and 'industry' provides the GDP, it seems robust to conclude overall agreement with the IPCC findings for the planet.

This simple meta-analysis lists the assessment of impacts for the separate "Population" analyses in the 'Pressures' section of each of the 12 chapters. It leaves no doubt.

The assessment of the Pressures from Population are:

- Overview – 'People-related pressures' [not 'population'] High impact
- Air Quality – Very High Impact
- Antarctica – Itemised list of pollutants but no population assessment
- Biodiversity – Very High Impact
- Climate – No population assessment [more a descriptive analysis – one can only speculate on the omission given the IPCC findings over three decades]
- Coasts – 'Pressures associated with population density' High impact [six topics of analysis]
- Extreme events - No population assessment [more an analysis of 'people at risk' – again one can only speculate on the omission given the IPCC findings over three decades]
- Heritage – 'Population –driven pressures' High Impact
- Indigenous – No assessment. "Climate change is … disproportionately affecting Indigenous people"
- Inland water – No assessment. "Human use of water – for consumption, household use, agriculture and industry – is one of the major pressures on Australia's water resources (see the Urban chapter). The main uses for which water is abstracted in Australia are agricultural (70%), urban (20%) and industrial (10%) purposes (ABS 2020)." Per-person use of water – low impact – partly due to drop in water availability/restrictions.
- Land – No assessment. "Our cities and towns are growing, and there is increasing demand for land to be used for built infrastructure to support population growth. As a result, the built environment is outcompeting other land uses, and leading to removal of land from agricultural production or clearing of natural areas (see Land use) (see the Urban chapter). These changes in settlement patterns have also changed our bushfire exposure, requiring a rethink about how to live with Australia's sclerophyllous native vegetation, which is inherently flammable." And "As the built environment expands, so too does infrastructure for service networks to support and connect population centres. This infrastructure includes transport routes (roads, rail), energy, water storages, communications and data, wind and solar farms, and waste disposal. Australia's road network could wrap around the world 22 times (Infrastructure Australia 2019), making it a significant land use (see the Urban chapter)."
- Marine – 'Pressures on the [marine] environment associated with population growth' – High Impact - With analysis of Recreational fishing, marine plastics and debris, other marine pollution and tourism.

- Urban – A complicated Pressures section. Extensive analysis of: population growth forecasts; urban densification and expansion; travel demand; resource consumption; waste and pollution. Separate discussions of climate change and industry.
    - Assessment - Pressures affecting the urban environment – High Impact – "Australia's population will continue to grow, putting more pressure on major urban cities to densify and expand, leading to greater travel and overall resource consumption, waste and pollution. The impact of these pressures is currently stable, but climate change is expected to compound the pressures on infrastructure, systems and resources, with the potential to increase impacts and lead to worsening conditions."
    - Assessment: Climate Change – Very High Impact. "These impacts are expected to increase, placing growing pressure on the urban environment and the livability of its citizens. Climate change is also expected to affect biodiversity in urban areas through greater urban heat; more extreme events including bushfires, drought, extreme rainfall and flooding; and sea level rise."
    - Assessment: Population growth: urban densification and expansion, travel demand, resource consumption, waste and pollution – High Impact. "Despite the effects of the COVID-19 pandemic, it is expected that Australia's population will continue to grow over the medium to long term, putting greater pressure on major urban cities to densify as well as expand. This will imply greater travel and overall resource consumption, producing more traffic congestion, waste and pollution, leading to greater pressures on important environmental and agricultural areas."
    - Assessment: Industry: urban expansion, resource consumption, waste and pollution – High Impact. "Industry has a high impact on the environment, although this varies depending on types of industry and resource use. The trend is stable because this phenomenon is highly regulated (particularly for energy), though it has not improved because the circular economy has not yet embedded itself."
    - Climate Change – No assessment. Analysis of: Urban Heat; Bushfires; Rainfall deficiency and drought; extreme rainfall and flooding; and sea-level rise. "Our changing climate and the associated increase in extreme events have a significant impact on the safety, health and wellbeing of citizens and biodiversity, the durability of our built infrastructure and the resilience of our urban ecosystems."
    - Urban Key Findings include:
        - Growing populations, resource demand and travel are the main pressures on our urban areas.
        - Livability varies between different urban areas and within different parts of our cities and towns
        - A nationwide approach to urban growth and resilience is needed.

END