

MEASURING WHAT MATTERS – WWF-AUSTRALIA

WWF-Australia is part of the WWF International Network, the world's largest independent conservation organisation. WWF's global mission is to 'stop the degradation of the planet's natural environment and to build a future in which humans live in harmony with nature'. WWF-Australia has more than two million financial and non-financial supporters across the nation. WWF-Australia as an organisation has a 40-year history of working on wildlife conservation in NSW with scientists, communities, farmers, industry, businesses, Indigenous communities and government.

WWF-Australia appreciates the opportunity to feed into the Measuring What Matters Consultation and believes this is a unique opportunity to rethink how we measure progress and create a shared future that priorities all life on earth. As the Consultation Paper notes, pursuing economic growth through narrowly defined indicators such as Gross Domestic Product (GPD) fails to value and strive towards what truly matters to Australians. We wholeheartedly agree that Australia needs to move towards more inclusive wellbeing indicators that capture our societies' wellbeing, prosperity and ability to protect Australia's resources for future generations and species.

The absence of valuing nature and the environment – including its critical role in the economy - has led to an environmental tragedy of unparalleled proportions unfolding within Australia. Plants and animals are disappearing. Landscapes prized internationally are deteriorating. Our deforestation and mammal extinction rates are among the highest in the developed world. Natural disasters are increasing. Ocean temperatures are rising and plastic and other wastes are accumulating. Market failures and short-term thinking have led our nation, and our region, towards ecosystem collapse. Despite the severity of these events, they are not reflected anywhere in our annual budget figures.

These are not just environmental issues, but economic and social too. The health of our natural landscapes and species is fundamental to our own. Nature not only sustains economies; it sustains our cultural identity, our traditions and sense of place. The World Economic Forum has estimated that US\$44 trillion – more than half the world's economic output – is moderately or highly dependent on nature.¹ Within Australia, it is estimated that approximately half of Australia's GDP has a moderate to very high dependence on nature.² Nature loss and climate change is estimated to cause significant economic losses in economies such as Australia, primarily due to the loss of coastal infrastructure and agricultural land through flooding and erosion.³ The 2019-2020 bushfires in Australia provide a stark illustration of this reality. The fires, which burnt more than 24 million hectares and killed or displaced an estimated three billion native animals, cost Australian agriculture between AU\$4 billion and AU\$5 billion (6-8% of agricultural annual GDP) in damage to infrastructure, loss of crops and livestock, and a reduction in farmland values.⁴ Not only are natural disasters costly, the health risks of natural disasters and environmental degradation are increasingly well-documented.⁵ New research from the Doctors for the Environment and WWF-

¹ World Economic Forum, 2020, Nature Risk Rising: Why the Crisis Engulfing Nature Matters for Business and the Economy

² Australian Conservation Foundation, 2022, The nature-based economy: How Australia's prosperity depends on nature

³ Deloitte, 2022, Banking on Natural Capital: Unlock the true value of nature

⁴ Deloitte, 2022

⁵ WWF, 2020, Towards an EU Wellbeing Economy; A fairer more sustainable Europe after Covid-19

Australia has identified the critical role trees play in supporting human health and well-being.⁶ Trees provide food and shelter, filter our water and air. They can help reduce stress and lessen depression, anxiety and other mood disorders. Tree climbing helps children develop strength, spatial awareness, creativity, imagination and self confidence. Trees encourage people of all ages to exercise. Intact ecosystems of trees can help prevent some infectious diseases from emerging in humans. The outbreak of Covid-19 brought into sharp focus just how much human health and well-being and the health of our planet are inextricably linked. The loss of trees through deforestation and land use change has increased our exposure to wild animals and the risk of zoonotic diseases, which jump from animals to humans.⁷ Trees are also integral to Aboriginal and Torres Strait Islander Peoples. Trees provide connection to Country and lore, which is critically important for health and well-being. In addition, over one-third of all medicines we use today are derived from nature.⁸

There is broad agreement that a sustainable climate and a healthy natural environment are fundamental to our wellbeing.⁹ Simply put; if our natural world collapses, our economy and society collapse.

To help turn around this crisis we need to capture the full value of nature and the benefits it provides to society. WWF-Australia supports the five themes identified in the consultation paper. As highlighted above, the contribution of nature to society and wellbeing is vast and varied and therefore it is important that a range of environmental health indicators are captured. Measuring what matters should build on existing environmental economic methods, models and data, which numerous academics, international agencies and other NGOs have been developing for decades. In addition, indicators already being used by various jurisdictions, both domestically and internationally who have or are implementing wellbeing budgets should be drawn upon. Initiatives such as DCCEEW's State of the Environment Report, DFAT's Tracking Australia's Progress against the Sustainable Development Goals and the Australian Bureau of Statistics' Environmental-Economic Accounts should all be drawn upon to deliver holistic environmental indicators. However, it is important to note that the State of the Environment Report itself identifies that there are many measures where we currently have insufficient information to fully understand the status of the environment and biodiversity in Australia. WWF believes the newly announced Environment Information Australia should play a strong role in identifying and addressing data gaps that allow us to better measure and monitor the health of our environment and the vital role it plays in society.

WWF-Australia also supports an annual wellbeing statement which reports on progress against the identified indicators. Indicators should have progress goals and accountability measures and be mainstreamed across government and the public service. We recommend these responsibilities are embedded with the Treasurer's portfolio to ensure that they are mainstreamed into economic decision making.

WWF-Australia would welcome being involved in the next steps of the Measuring What Matters consultation and would be happy to provide further input on specific environmental indicators. We thank the Government for this initiative and strongly welcome the need for a broader framework to measure progress and well-being in Australia as well as internalise environmental values in decision making.

⁶ Doctors for the Environment & WWF-Australia, 2023, Trees: the forgotten heroes of our health

⁷ Doctors for the Environment and WWF-Australia, 2023

⁸ Doctors for the Environment and WWF-Australia, 2023

⁹ Deloitte, 2022