

## **UnitingCare Australia Submission to Inquiry on United Nations Sustainable Development Goals (SDG)**

*Making sure we take into account everything that counts, whether or not it can be easily counted*

UnitingCare Australia is pleased to provide the following response to certain of the Terms of Reference for the Inquiry:

### **1. The understanding and awareness of the SDG across the Australian Government and in the wider Australian community.**

Although Australia made the commitment to implement the SDGs in September 2015, the radical changes to policy that are required to meet the targets by 2030 have not been publicised nor are they apparent in Government domestic policy to date.

UnitingCare Australia is a participant in a scenario planning exercise - the Australian National Outlook Project – funded by the National Australia Bank, which has commissioned CSIRO to undertake modelling of a several different development scenarios of development in Australia over the next 20 to 40 years. Despite the range of organisations and the seniority of individuals present, the SDG were not raised in meetings until March of this year, when UnitingCare Australia advocated their inclusion in the preferred development scenario.

### **2. The potential costs, benefits and opportunities for Australia in the domestic implementation of the SDG.**

#### **2.1 Commitments should be honoured**

Australia has made a commitment as a member of the international community of nations to pursue the SDG. Although this commitment does not have treaty status, in honouring it, Australia strengthens its credentials as an international citizen, and models behaviour that produces global benefits – respect for an international, rules- based system.

#### **2.2 The opportunity to pursue selective, inclusive and sustainable growth**

It is not misleading to say that strategies for increasing economic growth, as measured by GDP, have received top priority in Australian policy making for some time. If GDP were the single best indicator of our country's health and prosperity, then it would seem appropriate for this role. However, as has been documented elsewhere<sup>1</sup>, GDP was neither designed to perform this role, nor does it perform it adequately.

Implementing the commitment to achieving the SDG means a major change in the frame of reference away from GDP-based prosperity estimation. Maximisation of GDP is not one of the SDG. Instead, the focus is on **optimisation** of growth, so that it is driven by

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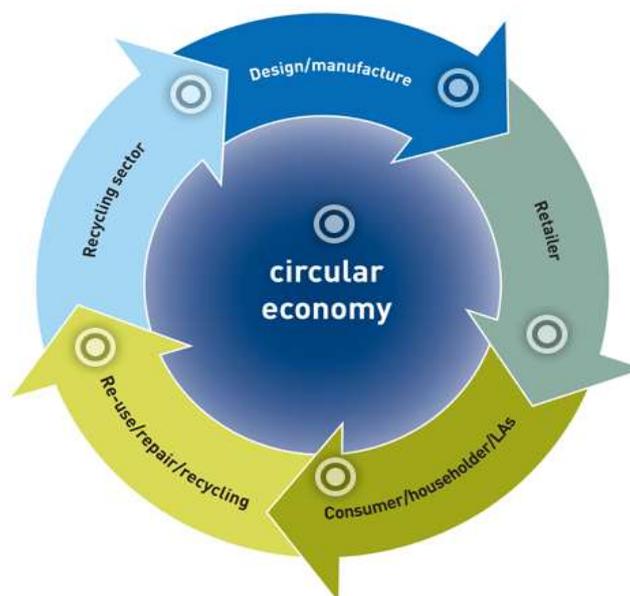
<sup>1</sup> [The trouble with GDP](#) The Economist, April 30<sup>th</sup>, 2016.

environmentally and socially beneficial activities. Growth needs to be selective, inclusive and sustainable, and be accompanied by “full and productive employment.” Such a change would address some of the shortcomings of GDP as an indicator of prosperity:

- failure to distinguish between beneficial and harmful activity (unselective growth);
- failure to count some of the activities that have a major effect on well-being – e.g. caring for children, the sick and the elderly, domestic cooking and cleaning - unless they are marketized;
- failure to take into account environmental ‘externalities’ such as pollution and loss of species diversity; and hence, failure to take into account non-sustainable components of growth associated with increasing population and mining of limited natural resources;
- it fails to take into account social externalities, such as the effect on human capital of widening disparities in wealth and income, which increase the slope of the social gradient in human capital measures including: education, physical and mental health, behaviour, and productive economic activity.

Implementing the commitment to the SDG provides Australia with an opportunity to redirect our society away from activity that depletes the productive capacity and ecological stability of our environment, towards a Circular Economic model, fuelled by renewable energy, the production of long lasting material goods, and recycling of zero waste.<sup>2</sup> See diagram 1 below:

**Diagram 1. Representation of the Circular Economy by Waste and Resources Action Plan (WRAP)**

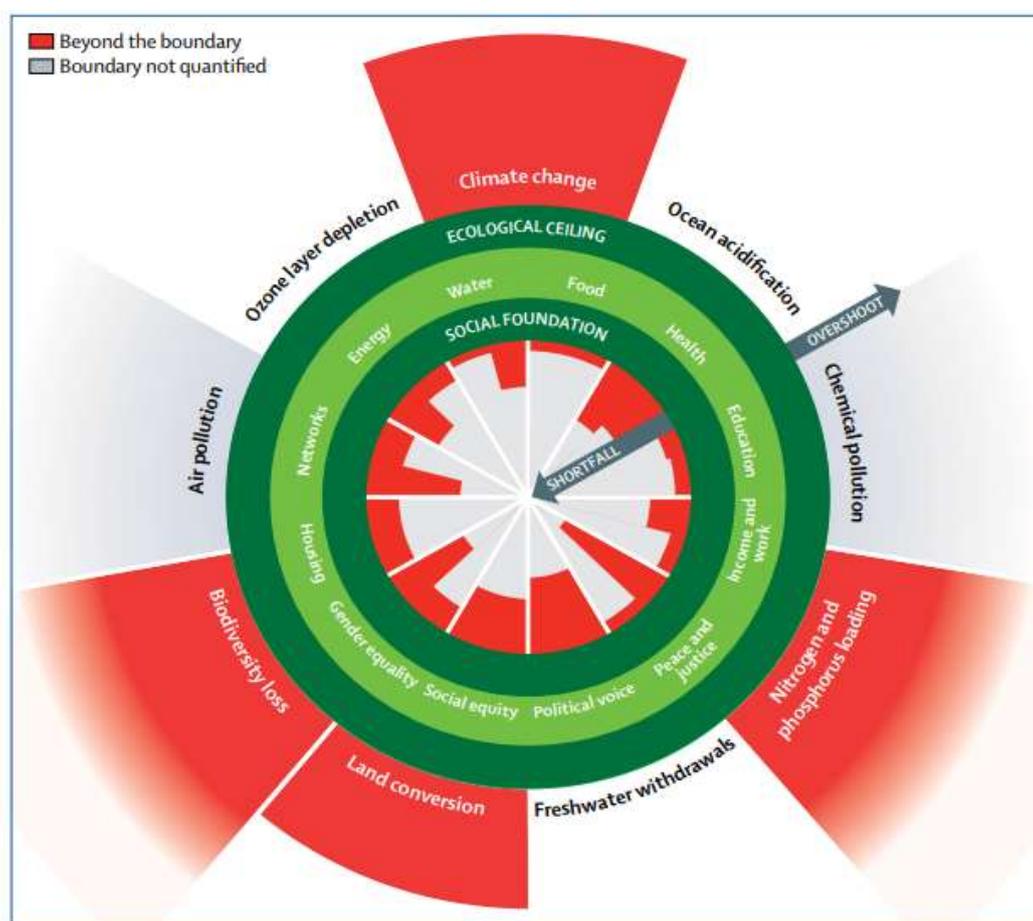


<sup>2</sup> ‘A circular economy is an alternative to a traditional linear economy (make, use, dispose) in which we keep resources in use for as long as possible, extract the maximum value from them whilst in use, then recover and regenerate products and materials at the end of each service life.’ WRAP at <http://www.wrap.org.uk/about-us/about/wrap-and-circular-economy>

Implementing the commitment to the SDG would enable Australia to redirect our society away from what some researchers have termed ‘a bio-extinction crisis’<sup>3</sup> toward activities that enable us to address the drivers of species loss and honour our commitment to the Convention on Biological Diversity.

Diagram 2 below<sup>4</sup> is a visualisation of the space within which human society needs to operate in order to ensure its continued viability. We cannot look to technological fixes to extend planetary resources and the ability of the natural world to support ecological systems beyond certain boundaries. Areas in which we are currently overshooting the ecological boundaries are shown in red.

**Diagram 2 Visualising the space for sustainable human activity (Raworth 2017)**



**Figure: Shortfalls and overshoot in the Doughnut**  
 Dark green circles show the social foundation and ecological ceiling, encompassing a safe and just space for humanity. Red wedges show shortfalls in the social foundation or overshoot of the ecological ceiling. The extent of pressure on planetary boundaries that are not currently being overshoot is not shown here (see appendix for all graphics).

<sup>3</sup> [Global nature conservation indicators are missing their mark: Deakin study](#)

<sup>4</sup> From Raworth K (2017) [A Doughnut for the Anthropocene: humanity's compass in the 21st century](#). See Appendix.

Implementing the SDG would also enable us to turn away from values and activities that result in preventable over-consumption by some, and preventable under-consumption by others. Some sectors where global under-allocation occurs under current policies are marked in grey in the centre of Diagram 2.

Implementing the SDG would give our society the chance of adopting goals that are consistent with happiness and well-being than the pursuit of material consumption. Finland pipped its fellow Nordic countries to come out top in the most recent World Happiness Report, apparently having achieved the most efficient GDP to Happiness conversion rate.<sup>5</sup>

Implementing the SDG would give impetus to primary prevention policies of full employment and poverty elimination – thereby preventing a vast swathe of preventable harms. Further, the goal of inequality reduction would enable us to lessen the harms associated with the inequality evident in growing gaps in income, wealth, home ownership and returns to capital vs wages.

Kate Pickett has done extensive research on inequality. Here she writes about the benefits of reduced inequality on the one hand, and the negative effects of growing inequality on the other before advocating adoption of a living wage policy, with reduced pay ratios (later in this article).

An important research finding is that the benefits of greater equality are not confined to the least well-off. In fact, the vast majority of the population do better in more equal societies. Even well-educated, middle class people with good incomes will be likely to live longer, be more involved in community life and less likely to suffer violence. Their children are likely to do better at school and are less likely to take drugs or become teenage parents. This is not simply a problem of poverty or deprivation. As inequality matters even after controlling for these, runaway incomes at the top are just as damaging as inadequate incomes at the bottom.

Alongside this growing body of evidence on the impact of inequality, there is also an increasing scientific understanding of the pathways from income inequality to a number of health and social problems. This is demonstrating the ways in which status competition or feeling devalued, disrespected, insecure and worried about how you are seen and judged by others, affects human health and behaviour. The processes which produce a social class gradient in each problem are intensified by greater inequality. Status competition makes it feel more important to have money and so leads people to work longer hours in more unequal societies. Inequality also increases the strains on family life and parenting. And greater inequality leads to more violence because, as status matters more, people become more sensitive to common triggers to violence such as being disrespected and looked down on.<sup>6</sup>

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<sup>5</sup> [‘Finland is the happiest country in the world, says UN report’](#) Patrick Collinson, The Guardian 18 March 2018.

<sup>6</sup> Kate Pickett [Addressing health inequality through greater social equality at a local level: implement a living wage policy](#). From *‘If you could do one thing...’ Nine local actions to reduce health inequalities* British Academy 2014.

### 2.3 The costs

Transition to a society in which the SDG were being implemented would be disruptive. Costs of acting need to be assessed against the costs of inaction. It would be prudent to consider implementation of the SDG as an opportunity too important for our future to be foregone. We desperately need the model implicit in the SDG of economically, socially and environmentally integrated policies and the government arrangements to achieve the goals. The actual impact of the transition would depend on the design of strategies for an orderly transition process, with support provided for adversely affected parts of the society/economy in the interim.

### 3. What governance structures and accountability measures are required at the national, state and local levels of government to ensure an integrated approach to implementing the SDG that is both meaningful and achieves real outcomes?

A strong governance framework is critical to restoring trust in Government and achieving the SDG. It needs to be built on the following principles:

- accountability – to the Parliament, to other statutory oversight bodies, and to the people - for honouring electoral and treaty commitments, and acting in accordance with the highest professional standards;
- stewardship of natural, social, cultural and institutional resources with attention to efficiency but not at the expense of effectiveness, particularly where buffers are necessary to protect against uncertainty;
- transparency of decision-making (the highest possible standards of open-decision-making, to avoid the moral hazards of vested interest influence);
- integrity – actions in the public interest, not for private gain;
- merit based appointment to all public positions and
- provision of resources, competence and knowledge necessary to formulate strategies and achieve goals.

Australia would do well to follow the example of Denmark in its implementation, whereby all legislation is being assessed against the SDG, and overseas aid is focusing on sustainable development. Their Finance Minister summed up the approach in these terms:

Denmark is a frontrunner in promoting sustainable development in Denmark and in developing countries. The government expects to launch an SDG Fund in 2018 which will invest in sustainable projects in developing countries. We have also committed ourselves to assess new legislation in terms of their consequences for the SDGs, says Kristian Jensen and continues:

This commitment ensures that the SDGs and their implementation is present in the daily work of government. I therefore look forward to presenting our report for the UN.<sup>7</sup>

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<sup>7</sup> [Denmark is ready for the SDG exam at the UN](#) Danish Ministry for Finance, 27 June 2017.

A new statutory agency with the powers to compel the provision of information, could be established to oversee whole of government compliance with the SDG in new and existing legislation and policy. Parallel bodies would need to be established in each state and territory. By agreement with the states and territories, these bodies would report to the Federal body.

**4. How can performance against the SDG be monitored and communicated in a way that engages government, businesses and the public, and allows effective review of Australia's performance by civil society.**

See point 3 above.

**5. Examples of best practice in how other countries are implementing the SDG from which Australia could learn.**

See reference to Denmark in point 3 above.

**6. In conclusion - determining what counts**

As we are making sure we take into account everything that counts, whether or not it can be easily counted, UnitingCare Australia relies on its values of: hope, respect, justice, compassion, integrity and innovation.

Our commitment to a just, fair and sustainable society means:

- we work towards a future in which the social and economic context of a person's birth does not determine that person's chances of living a fulfilled, connected and healthy life;
- we ensure that our activities now will enable our descendants to inherit a natural world capable of sustaining life in all its diversity and of inspiring awe;
- we advocate and contribute to the development of policies and services that honour our values and, being based on the best available evidence, are likely to further the goals to which we are committed;
- we advocate a strong, accountable and democratic government that works in the public interest – i.e. toward the achievement of a just, fair and sustainable society.

We thank the Committee for its consideration of the feedback provided and would welcome the opportunity to comment further on any of the issues raised in this submission.

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UnitingCare Australia  
March 2018

*UnitingCare Australia is the national body for the UnitingCare Network, one of the largest providers of community services in Australia. With over 1,600 sites, the network employs 40,000 staff and is supported by the work of over 30,000 volunteers. We provide services to children, young people and families, Indigenous Australians, people with disabilities, the poor and disadvantaged, people from culturally diverse backgrounds and older Australians in urban, rural and remote communities.*

*UnitingCare Australia works with and on behalf of the UnitingCare Network to advocate for policies and programs that will improve people's quality of life. UnitingCare Australia is committed to speaking with and on behalf of those who are the most vulnerable and disadvantaged.*