

*Monitoring systems for sustainability.  
What are they measuring?*

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## List of abbreviations

<b>ABS</b>	Australian Bureau of Statistics
<b>ACCA</b>	Australian and New Zealand Awards for Sustainability Reporting
<b>ACT</b>	Australian Capital Territory
<b>AGL</b>	The Australian Gas Light Company
<b>ANAO</b>	Australian National Audit Office
<b>ARA</b>	Australasian Reporting Association
<b>EA</b>	Environment Australia
<b>ESAA</b>	The Energy Supply Association of Australia
<b>FME</b>	Free market environmentalists
<b>GBE</b>	Government business enterprises
<b>GDP</b>	Gross Domestic Product
<b>GNP</b>	Gross National Product
<b>GPI</b>	Genuine Progress Index
<b>GRI</b>	Global Reporting Initiative
<b>IAASB</b>	International Auditing and Assurance Standards Board
<b>IFAC</b>	International Federation of Accountants
<b>IISI</b>	International Iron and Steel Institute
<b>IMA</b>	International Aluminium Institute
<b>IPCC</b>	International Panel of Climate Change
<b>ISIN</b>	The International Sustainability Indicators Network
<b>IUCN</b>	International Union for the Conservation of Nature and Natural Resources
<b>MAP</b>	Measuring Australia's Progress
<b>NGO</b>	Non-Government Organisation
<b>NGO</b>	Non-Government Organisation
<b>OECD</b>	Organisation for Economic Development
<b>SDC</b>	Sustainable Development Commission
<b>UCSUSA</b>	Union of Concerned Scientists of United States of America
<b>UK</b>	United Kingdom
<b>UN</b>	United Nations
<b>UNCED</b>	The United Nations Conference on Environment and Development
<b>URPE</b>	Union for Radical Political Economics
<b>US</b>	United States
<b>WBCSD</b>	World Business Council of Sustainable Development
<b>WCED</b>	World Commission for Economic Development
<b>WCS</b>	World Conservation Strategy

## Abstract

This thesis investigates how governments, corporations, and international non-government organisations conceive of, and report on sustainability. The development of sustainability reporting frameworks in Australia is critically compared with international models. The study seeks to discover whether sustainability indicators in the Australian context are derived from an epistemologically consistent framework. It is argued that the validity of current sustainability reporting systems is contestable.

Reporting systems for sustainability have been a key policy response by international organisations, governments, and corporations to emerging environmental, social and economic crises over the past decade. However, the challenge in developing sustainability measurement and monitoring tools is made difficult because the notion of sustainability is a contested concept. The most commonly quoted definition of sustainability from the *Brundtland Report* lacks the required conceptual clarity to inform how it could be measured. Moreover, the sustainability debate incorporates an array of approaches influenced by various theoretical frameworks. A lack of an operational definition of sustainability creates uncertainty surrounding the interpretation of sustainability and therefore confounds its measurement. Conversely, a defined theoretical underpinning to the concept of sustainability would provide clarity and coherence to what is to be measured by the indicators and in turn provide direction in terms of what these different measurement approaches should seek to accomplish. However, because the concept is generally poorly defined, current indicator systems are frequently flawed. Moreover, the validity of current monitoring systems must be questioned due to the dominance of the neoliberal and liberal discourses in debates over sustainability, which has privileged the economic dimension of the debate over environmental and social considerations. Privileging one dimension over others discourages serious analysis of the interdependence of the dimensions of sustainability on each other. It is questionable whether monitoring systems framed by the dominant discourses have a real ability to assess economic, environmental and social sustainability. It is argued that the current and future survival of our economy, society and environment requires a radical rethinking of the sustainability paradigm.

Suites of sustainability indicators typically include data on issues like unemployment, business investment, poverty, pollution and health status, which have been collected by diverse agencies using different methodologies. The original purpose of these indicators has not been the measurement of sustainability but other matters. For example, data collected for the measurement of unemployment or of air quality is commonly appropriated by sustainability reporting. It is argued that such sets of indicators are ill-suited to measuring sustainability unless the social, economic and environmental context in which they are collected is understood. If the purpose of sustainability indicators is to help understand the interrelated forces driving social, economic and environmental

change, then the indicators themselves should be derived from an epistemologically consistent conceptual framework, which seeks to address clearly defined phenomena if they are to actually provide indications of sustainability.

To illustrate this argument, case studies of corporate and government sustainability reporting are examined in relation to what is measured, how it is measured and why it is measured. This research also offers a comparison of Australian sustainability reporting against the international benchmark in this field at both national government and corporate levels. These case studies raise questions about whether current sustainability reporting practices have validity as genuine measures of sustainability and in particular whether they are derived from an epistemologically consistent framework. If the framers of reporting systems are not clear about how their measures conceptualise sustainability, then we can have little confidence in the ability of these systems to genuinely measure this phenomena.

## Declaration

I certify that this thesis does not incorporate without acknowledgement any material previously submitted for a degree or diploma in any university; to the best of my knowledge and belief it does not contain any material previously published or written by another person except where due reference is made in the text.

I give consent to this copy of my thesis, when deposited in the University Library, being made available for loan and photocopying, subject to the provisions of the Copyright Act 1968.

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Kathryn Davidson

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Date

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