

The Resource Assessment Commission: An Inside Assessment

THE HON Donald Stewart & Dr Greg McColl

To cite this article: THE HON Donald Stewart & Dr Greg McColl (1994) The Resource Assessment Commission: An Inside Assessment, Australian Journal of Environmental Management, 1:1, 12-23, DOI: [10.1080/13221698.1994.11978477](https://doi.org/10.1080/13221698.1994.11978477)

To link to this article: <https://doi.org/10.1080/13221698.1994.11978477>



Published online: 26 Feb 2018.



Submit your article to this journal [↗](#)



Article views: 1



View related articles [↗](#)



Citing articles: 5 View citing articles [↗](#)

The Resource Assessment Commission: An Inside Assessment

Between 1989 and 1993, the Resource Assessment Commission conducted inquiries into three major resource issues: mining in the Kakadu conservation zone; the forest and timber industries; and the management of coastal zone resources. It used an open inquiry process and a range of analytical techniques to assess ecological, economic and social issues. Its administrative functions were terminated at the end of 1993, following the Commonwealth government's decision to use other means of resolving major resource issues. This article reviews the Commission's activities and examines the reasons for its demise.

THE HON DONALD STEWART
*Former Chairman,
Resource Assessment Commission**

DR GREG McCOLL
*Former Special Commissioner,
Kakadu Conservation Zone Inquiry
Coastal Zone Inquiry*

The Resource Assessment Commission (RAC) came into existence on 1 July 1989 following the passing of the *Resource Assessment Commission Act 1989* by the Commonwealth Parliament. A little more than four years later, when introducing its 1993-1994 Budget, the Commonwealth government announced that it would make no further references to the Commission, at least for the time being. Although the government gave no public explanation of its decision not to provide further references to the RAC, the Leader of the Government in the Senate (Senator Gareth Evans) provided the following response on behalf of the Prime Minister to a question by Senator Chamarette:

“... the Government has terminated the Resource Assessment Commission's administrative functions while retaining the RAC legislation to provide for flexibility should an inquiry reference be appropriate at a later date. Since the RAC was established there have been significant developments that have enabled the Commonwealth to integrate consideration of economic and environmental priorities for natural resource allocation in co-operation with the States and in consultation with conservation and industry groups, including through the Intergovernmental Agreement on the Environment. Nationally coordinated policy developments such as the National Strategy for Ecologically Sustainable Development, the National Forest Policy Statement and the National Greenhouse Response Strategy have removed much of the need for a Commonwealth-based inquiry agency. The Commonwealth also has a wide range of investigatory and general inquiry bodies including under the *Environment Protection (Impact of Proposals) Act 1974*, through the Commonwealth Environment Protection Agency

* From 1989 to 1993.

(CEPA), the Australian Science and Technology Council (ASTEC) and the Industry Commission (IC)."¹

The RAC has carried out three inquiries into major resource issues. The terms of reference for its first inquiry, into Australia's forests and timber resources, were provided in November 1989; the final report of that inquiry was given to the Prime Minister on 31 March 1992. In April 1990 the government referred proposals for mining in the Kakadu Conservation Zone to the RAC; the final report of the Kakadu inquiry was given to the Prime Minister on 1 May 1991. The terms of reference for the Commission's third inquiry, into the use and management of coastal zone resources, were issued on 10 October 1991, and the final report of that inquiry was submitted on 25 November 1993.

While responses to the report on coastal zone issues were not available when writing this article, it is an appropriate time to review the contribution the RAC made to resolving resource issues. To provide the setting for such a review, the article begins with an examination of the role which was expected of the RAC. The following sections deal with the Kakadu and forest and timber inquiries. The results of a survey of opinions about the RAC are then summarised, followed by a review of its contribution to the inquiry process and to the use of methodology for analysing resource issues.

ORIGIN AND ROLE OF THE RAC

As in many other countries, major conflicts between development and conservation interests occurred in Australia in the 1970s and 1980s, resulting in political and legal battles which involved the Commonwealth, several State governments and the Northern Territory government. The Commonwealth used provisions of the *Environment Protection (Impact of Proposals) Act 1974* to hold major inquiries into controversial proposals for uranium mining in the Northern Territory and sand mining on Fraser Island in Queensland. Following confirmation by the High Court that the Commonwealth government has a number of constitutional powers for dealing with environmental issues, successive governments took action to prevent a number of major development projects from proceeding. Tensions grew when World Heritage Listings were proposed for such areas as Gordon-below-Franklin in Tasmania, wet tropical rainforests in Queensland and Kakadu National Park in the Northern Territory.² In 1987 the Commonwealth used special legislation to hold an inquiry into the possible World Heritage listing of the Lemonthyme and Southern Forests in Tasmania but the report of the inquiry did not settle the dispute.³ The bitter controversy over the proposal for a pulp mill at Wesley Vale in Tasmania added to the difficulties in settling arguments between proponents of development and environmentalists.

In the aftermath of these controversies, the Commonwealth government sought alternative ways of settling disputes over resource development, and in November 1988 announced its intention to establish the Resource Assessment Commission. In a joint statement, the then Ministers for: Primary Industries and Energy (Mr John Kerin); the Environment (Senator Graham Richardson); and Resources (Senator Peter Cook), said that "The Resource Assessment Commission will provide an opportunity for all levels of Government, interested groups

¹ Gareth Evans, *Debates, Senate, Australia*, 1993, p 2575.

² Bruce Davis, "Federal-State Tensions in Australian Environmental Management: The World Heritage Issue" (1989) 6 EPLJ 66.

³ Martin Tsamenyi, J Bedding and L Wall, 1989, "Determining the World Heritage Values of the Lemonthyme and Southern Forests: Lessons from the Helsham Inquiry" (1989) 6 EPLJ 79.

and individuals to have their views taken into account before the Commonwealth makes major land use decisions".⁴

Some extracts from Minister Kerin's second reading speech in the House of Representatives indicated the way in which the Commission was expected to conduct its inquiries:

"Clause 8 of the Bill indicates the various elements the Commission would be expected to consider — for example, identifying the resource and how it may be used at present or in the future; looking at the kinds of values individuals or groups in the community place on the resource or on uses that can be made of it (and this includes both conservation and commercial or development uses); and assessing what various uses will mean to the community in the short term and the longer term — for instance who will gain and who will lose in both material and non-material ways. This kind of assessment could thus encompass losses or gains of amenity, of aesthetic or spiritual values, as well as monetary losses or gains.

How the Commission makes its assessment is left to the Commission to determine. It is recognised that both quantitative and qualitative elements need to be assessed, by whatever means seem appropriate.

The Commission ... will have to assemble all reasonably obtainable information and advice and do what analysis can reasonably be done within the time limits set by the Government.

In the past too many decisions have been taken without adequate understanding of the economic or the environmental consequences of particular courses of action or the full range of views in the community. The Resource Assessment Commission is a major initiative of this Government designed to remedy these deficiencies."⁵

The *Resource Assessment Commission Act 1989* (the Act) established the RAC as an independent body to hold public inquiries into matters referred to it by the Prime Minister. It was empowered to receive oral and written evidence, and inform itself in any way it wished. To ensure that its proceedings were not unduly legalistic, the RAC was not bound to act in a formal manner and was not bound by the rules of evidence.

Schedule 1 of the Act provided that the Commission should take an integrated approach to conservation and development, and that resource use decisions should seek to optimise the net benefits to the community from the nation's resources. Schedule 1 of the Act also recognised that choices must be made between alternative resource uses or combinations of uses.

The business sector was very supportive of the creation of the RAC. The president of the Australian Mining Industry Council said:

"It is in large part due to the persistent and continual advocacy of the industry that the RAC is being set up ... If the Government carries through with its clearly stated objective of using the RAC as a public forum in which to test rigorously competing claims for land use, rather than have these decided by media battle and ad

⁴ John Kerin, Graham Richardson and Peter Cook, "Conservation and Development — Resource Assessment", Media Release, 18 November 1988, Canberra.

⁵ John Kerin, Resource Assessment Commission Bill, Second Reading Speech, *Debates* House of Representatives, Australia, 1989, Vol HR 166, pp 1822-1825.

hoc political decisions, then the interest of the community will be much better served.”⁶

The National Association of Forest Industries also strongly supported the establishment of the RAC.⁷

A report by economic consultants which “benefited greatly from advice and financial support from the Australian Mining Industry Council, the National Association of Forest Industries and the National Farmers’ Federation” concluded that the ultimate test of the RAC’s worth would be how successfully it could contribute to the formulation of better resource policies, an outcome which will “require more open policy making processes and better information”.⁸

THE KAKADU CONSERVATION ZONE INQUIRY

The Kakadu Conservation Zone Inquiry has been described as “a baptism of fire for the new organisation and its procedures”.⁹ When the matter was referred to the RAC there had already been several years of heated controversy over whether mining should be permitted to proceed at Coronation Hill and possibly in other parts of the zone. The joint venturers who proposed mining, some business groups and the Northern Territory Government opposed the Commonwealth government’s decision to refer the matter to the RAC, believing it to be “a blatant attempt to delay making a politically sensitive decision”.¹⁰

The terms of reference for the inquiry required it to assess:

- the environmental and cultural values of the zone;
- the impact of potential mining operations on those values and on the values of Kakadu National Park;
- the national economic significance of potential mining development in the zone; and
- the interests of Aboriginals affected by any potential mining development.

The final report of the inquiry dealt with each of these issues in detail.¹¹

All of the information available on these issues, including that contained in the Environmental Impact Statement (EIS) relating to mining at Coronation Hill submitted by the joint venturers, and much additional information provided by them and available from other sources, was reviewed by the inquiry. There were many matters which required further investigation; to clarify these matters in-house research was complemented by a number of specialist consultancies. Of particular importance was the potential impact of mining operations on water levels in the South Alligator River, which flows close to the proposed mining site at Coronation Hill before entering Kakadu National Park.

The EIS contained some financial and other data relating to the mining but no analysis of its financial or economic impacts. The Australian Bureau of Agricultural and Resource Economics undertook a benefit-cost analysis of the mining proposal,¹² which was facilitated by the provision of further information by the joint venturers. The inquiry

⁶ Mark Rayner, “Conservation and Development — Getting the Balance Right” (1989) *The Mining Review* Special Issue: Minerals — Sustaining the Future 8-9 at 8.

⁷ National Association of Forest Industries, *Annual Report 1988-1989*, Canberra, 1989, p 9.

⁸ Centre for International Economics, *The Resource Assessment Commission: Issues for Inquiries*, Canberra, 1989, p 2.

⁹ Brian Galligan and Georgina Lynch, “Integrating Conservation and Development: Australia’s Resource Assessment Commission and the Testing Case of Coronation Hill” (1992) 9 EPLJ 181 at 182.

¹⁰ *Ibid* at 189.

¹¹ Resource Assessment Commission, *Kakadu Conservation Zone Inquiry: Final Report*, Canberra, 1991.

¹² Australian Bureau of Agricultural and Resource Economics, *Mining and the Environment: Resource Use in the Kakadu Conservation Zone*, Submission to the Resource Assessment Commission, Canberra, 1990.

also commissioned an analysis of the potential effects of mining on the economy of the Northern Territory.¹³

In an attempt to obtain an estimate of the value of the conservation zone with and without mining, a contingent valuation survey was carried out, in which a representative sample of 502 adults resident in the Northern Territory and 2,034 adults in the rest of Australia were surveyed. Undertaking the study was opposed by the joint venturers and some others during workshops held to discuss the form and contents of the questionnaire used in the survey. Analysis of the results suggested that the value of the zone to Australians if mining did not proceed was greatly in excess of the value of mining.¹⁴ The results were the subject of sustained criticisms, to which the authors replied as part of the final report of the inquiry.¹⁵ In the event the estimates derived from the survey were not used in assessing the options available to the government, the commissioners having concluded that the values suggested by the study could not be reliably compared with values obtained from the benefit-cost analysis of the proposed mining venture.¹⁶

Its terms of reference required the inquiry to assess the cultural values of the conservation zone and the interests of Aboriginals affected by potential mining development. In their initial submission to the inquiry, the joint venturers said that:

"The differences of opinion among the Jawoyn are regarded as their business, to be resolved in their own way. The Joint Venture partners believe from constant contact that they have the support of most Jawoyn. However, it is acknowledged that there is some opposition among the Jawoyn to mining."¹⁷

The Jawoyn Association and the Northern Land Council, acting for the custodians of the area, informed the inquiry that Coronation Hill is of special significance to the Jawoyn people. The custodians confirmed this view to the commissioners on several occasions, and despite the financial advantages which would accrue to them from mining, the majority of the Jawoyn people supported the custodians and told the inquiry that they were opposed to mining. After examining all the information available, and after taking advice from a number of anthropologists and others, the commissioners concluded that the area is of special significance to the Jawoyn people.

In its final report, the inquiry concluded that strictly controlled mining, including the backfilling of the mining pit (which was not part of the original proposal) would have a small impact on the resources of the conservation zone and would be unlikely to have any impact on the resources of Kakadu National Park. The inquiry was unable to place a value on the beliefs of the Jawoyn people, and therefore could not advise the government whether a decision to allow mining would be in the overall national interest compared with a decision not to mine. The report set out the options which the government needed to consider in reaching its decision.

The final report of the inquiry was presented to the government at the time of the initial challenge to Prime Minister Hawke by his ultimate successor, Mr Paul Keating. In the event, the government decided not to allow mining and added the conservation zone to

¹³ Owen Stanley and Bruce Knapman, *The Potential Impact of the Mining of Coronation Hill on the Northern Territory Economy*, Consultancy Report to RAC Kakadu Conservation Zone Inquiry, 1990.

¹⁴ David Imber, Gay Stevenson and Leanne Wilks, *A Contingent Valuation Survey of the Kakadu Conservation Zone*, Resource Assessment Commission, Research Paper No 3, 1991.

¹⁵ Resource Assessment Commission, op cit n 11, Appendix Q.

¹⁶ Ibid, p 149.

¹⁷ Coronation Hill Joint Venture, *Coronation Hill: Submission to Resource Assessment Commission — Kakadu Conservation Zone Inquiry*, Melbourne, 1990.

Kakadu National Park. The decision was consistent with one of the options identified by the inquiry; it was warmly welcomed by representatives of the Jawoyn community, the Northern Land Council and the Australian Conservation Foundation, which had taken the major role in opposing mining on environmental grounds. At the same time the decision was condemned by the joint venturers and some other mining and business interests.

In some quarters there was a great deal of criticism of the conclusions which the inquiry had reached about Aboriginal interests in the Kakadu conservation zone. One legal commentator, writing in the journal published by the Australian Mining Industry Council, concluded that the report "is not only fundamentally flawed but also disquietingly defective in many points of detail".¹⁸ In reply the commissioners pointed out that the matters of detail referred to in this critique had been correctly taken into account and that the critique itself suffered from several vital factual errors.¹⁹

Although the report went to a great deal of trouble to point out that the inquiry's role was to identify the options and their consequences, leaving the government to make the final decision, many commentators contended that the report favoured the non-mining option. For example, a subsequent review stated that "quite clearly, it had loaded the dice against mining by its findings and emphasis on the Aboriginal issue".²⁰ From the inquiry's point of view, it had no option but to make a detailed study of the Aboriginal issues and give a full account of its findings; this was required by its terms of reference, and by the *Resource Assessment Commission Act* that the Commission "identify . . . the environmental, cultural, social, industry, economic and other values" of resources.²¹ The commissioners had no preconceived views of any of the matters dealt with in the inquiry; they acted independently and without bias.

The government's decision about the Kakadu conservation zone was said to have been taken:

"chiefly as a consequence of the charged leadership issue and factional politics within the Government rather than as a result of the triumph of enhanced rationalism in Government decision-making . . . Because of the manner in which the decision was made, little public attention was focused on, nor credit given to, the RAC for its background work . . . Hence the RAC's legitimacy and future are not assured, nor was its Coronation Hill report the harbinger of an enhanced politics of environmental decision-making."²²

THE FORESTS AND TIMBER INQUIRY

The terms of reference for the forests and timber inquiry were wide-ranging, requiring no less than the identification and evaluation of options for the use of Australia's forest and timber resources. Fulfilling this requirement proved to be a very onerous task, requiring extensive in-house research and external consultancies to fill many gaps in knowledge. Parties to the inquiry in all States provided extensive submissions; hearings were conducted in centres throughout Australia and many consultations were held with the parties.

¹⁸ Colin Howard, "Coronation Hill — A Flawed Decision" (1991) 15 *The Mining Review* 15.

¹⁹ Donald Stewart, Roger Kitching and Gregory McColl, "Kakadu Conservation Zone Reports: Resource Assessment Commission Responds to Dr Howard" (1991) 15 *The Mining Review* 36.

²⁰ Galligan and Lynch, op cit n 9, at 191.

²¹ *Resource Assessment Commission Act* 1989, s 8(c).

²² Galligan and Lynch, op cit n 9, at 192.

The inquiry documented the extent and location of forest and timber resources, an exercise which had not previously been carried out in a detailed and systematic manner. Many analytical techniques were used in assessing the ecological and economic values of the resources, their uses and the trade-offs required for the achievement of ecologically sustainable development. Questions related to the logging of old growth forests, the major source of controversy, received particular attention. The inquiry proposed that the term "old growth" be reserved for forests that are both little disturbed and ecologically mature and have high conservation values. It identified two options for governments to deal with areas containing such forests: one requiring a rapid cessation of all logging within those forests, the other requiring forest management agencies to prepare comprehensive management plans that identify and rank old growth forests in terms of their full range of values. Under the second option, adequate protection of examples of such forests may allow other forests to be logged. Among many other matters dealt with in its final report, the inquiry recommended that as much as possible of the existing forest resource be maintained, and that a national policy be developed and implemented which includes the maintenance of a permanent forest estate in Australia.

During the inquiry there had been acrimonious debate between representatives of conservation groups on the one hand and representatives of forest industries, including the National Association of Forest Industries and State forest agencies, on the other. Nevertheless, the final report was welcomed by representatives of both points of view, and many of its recommendations were taken into account in developing the national forest policy which was prepared under the aegis of the Council of Australian Governments. In December 1992 the Council announced that State governments (with the exception of Tasmania) and the Commonwealth had agreed to and signed the National Forest Policy Statement. The RAC's Annual Report for 1992-1993 contains an analysis of the way in which the inquiry's recommendations were incorporated in the Policy Statement.²³

SURVEY OF OPINIONS ABOUT THE RAC'S ACTIVITIES

In late 1992 the RAC commissioned a firm of market research consultants (Irving Saulwick and Associates) to conduct a survey of opinions about its work, including perceptions of the Commission, its role and performance, its strengths and weaknesses, the effectiveness of its inquiry processes, and its information and reporting arrangements. Respondents were selected who could be expected to have informed views about relevant issues as a result of their direct involvement in the Commission's first two inquiries. As a consequence, 62 individuals were approached to participate in the survey and 49 took part in interviews with the consultants.

The survey revealed a wide range of opinions — favourable and unfavourable — about the RAC. On a 10-point scale, mean scores greater than seven were recorded for responses to most questions asked by the consultants, including those relating to method, impartiality, comprehensiveness, relevance, public participation, openness to ideas, competence of staff and quality of final reports; only in the case of the

²³ Resource Assessment Commission, *Annual Report 1992-93*, Canberra, 1993, Ch 4.

adequacy of public information was the mean score less than seven. The consultants commented:

“We believe that (the decision to undertake the study and publish the results of it) reveals much about the culture of the RAC. It suggests an openness, a commitment to listen to people, an acceptance that it can learn if it listens hard, and a resolve to attempt to modify practice should this be shown to be desirable.

Overall, respondents scored the RAC well. Those who participated in the Kakadu inquiry scored it less well than those who took part in the Forest/Timber inquiry. The least favourable rating was for its public information work. Respondents clearly think that this can be improved.

There is also clear evidence that over three quarters believe that the work of the RAC has enhanced the way resource use questions are now analysed and resolved. There is a limited measure of frustration, particularly among those who were disappointed with the final government decision on Kakadu, with the RAC process.

While most commend the RAC for its methods, impartiality, comprehensiveness, relevance, competence, openness and public participation process, some think that the process is too comprehensive and time consuming, some say that the public at large have not been shown a way to participate and some say that the Commission's work is biased (although there is disagreement about whether the bias is pro or anti conservation or development).”²⁴

The responses to the survey confirm that the Kakadu inquiry was the source of much of the dissatisfaction about the RAC; they also confirm that it made a significant contribution to the analysis and resolution of resource issues. There were two important aspects of this contribution: use of an inquiry process which provided opportunities for interested parties to play an active role, and the use of appropriate methodologies for analysing the many issues that arose in its inquiries.

INQUIRY PROCESSES

The responses to the survey of opinions about the RAC's work strongly support the view that it provided an inquiry process which received general approval; the mean score for responses to questions about public participation was 7.6 (out of 10). While participants in the coastal zone inquiry were not included in the survey, there is little doubt that there was general satisfaction with the process used in that inquiry also; this was apparent from the high degree of participation and co-operation by representatives of many public and private organisations and communities, including participation by State government representatives in submissions, case studies, workshops and consultations.²⁵

Consistent with the wishes of the government, the RAC used public participation procedures similar to those of the Industry Commission (IC) in its inquiries. These included: provision for all interested parties to make submissions; absence of legal representation; and relatively informal procedures at hearings. As a consequence it was relatively simple and cost-effective for all those interested to have their views

²⁴ Irving Sautwick and Associates, *Survey of Opinions About the Work of the Resource Assessment Commission*, Resource Assessment Commission, Occasional Publication No 3, Canberra, 1993.

²⁵ Resource Assessment Commission, *Coastal Zone Inquiry: Final Report*, Canberra, 1993, Appendix C.

considered by the RAC. Despite the similarity of processes, draft reports played a much more important role in RAC inquiries compared with most IC inquiries. They provided an opportunity to report on the facts discovered by the inquiry up to the time of their publication as well as the policy options which warranted further consideration. In all three RAC inquiries the draft reports stimulated many further submissions and a great deal of debate, enabling better final reports to be compiled. Many consultations were undertaken with interested parties, and many workshops and other meetings held after the draft reports were published, facilitating the discussion of important matters and increasing the effectiveness of the inquiry process.

The most important differences between the RAC and the IC arose from the breadth of issues considered. The RAC analysed information relating to a wide range of issues while the IC's charter requires it to deal primarily with matters affecting economic efficiency;²⁶ consequently it has not acquired the expertise to deal with environmental, social and cultural issues. The other two institutions nominated by the government to deal with these issues, ASTEC and CEPA, do not appear to have the resources necessary to conduct inquiries on wide-ranging resource issues.

The government can make further use of the inquiry provisions of the *Environment Protection (Impact of Proposals) Act 1974*, as it has done in the case of the inquiry into mining proposals at Shoalwater Bay in Queensland. However, inquiries conducted under that Act have been very legalistic and not conducive to participation by parties who do not have the resources to take part in such proceedings; this was one of the shortcomings recognised by the government when the RAC was created.

METHODOLOGY

When the RAC was created, there appeared to be some expectations that it would be able to develop a new approach which would enable firm conclusions to be reached about whether or not to develop particular resources. For example, Mr John Kerin, when Treasurer, said:

"While the RAC, in its short life, has provided a valuable service in developing resource inventories and clarifying some resource issues, it does not appear to have stimulated debate on novel means of managing the conflict between competing value systems or developing the means to better integrate economic and environmental considerations, with the exception of their contingent valuation work."²⁷

What was meant by "novel means" in this statement was not clear. The RAC used many analytical methods in conducting its inquiries; its use of the contingent valuation approach in the Kakadu and forest and timber inquires was an attempt to see if there was any prospect of putting reliable monetary values on non-development options. A comprehensive review of the methods it had used and examined confirmed that while it is often possible to describe some of the trade-offs between development and conservation in quantitative terms, it is

²⁶ Tor Hundloe, "The Role of the Industry Commission in Relation to the Environment and Sustainable Development" (1992) 51 *The Australian Journal of Public Administration* 476.

²⁷ John Kerin, "The Place for the Environment in an Economically Rationalist World", Speech to the Australian Institute of Political Science, Conference on The Rational Pathway to Sustainable Development, 3 October, 1991, p.8.

clearly not possible to remove the element of judgment which is required to make final choices between alternatives.²⁸

Analyses of important social and cultural issues were a major concern in all three RAC inquiries. A lack of analytical studies of social issues associated with resource development proposals was a particular concern. While this deficiency can be remedied to some extent by undertaking ad hoc studies, such as those which were commissioned by the RAC, there is a need for wider acceptance of the need to undertake analytical studies of social and cultural issues, enabling them to be given proper weight in decision-making. Similarly, it is important that appropriate economic analysis is undertaken in appraising alternatives; merely quoting some financial and other data is not sufficient for the purpose of determining the value of development proposals; only careful benefit-cost analysis can achieve this purpose.

These considerations are part of the need to ensure that the methodologies for the analysis of the impacts of development and conservation proposals are properly applied. As demonstrated in the Kakadu Inquiry, environmental impact statements submitted under legislation such as the *Environment Protection (Impact of Proposals) Act 1974* often leave much to be desired, not only in the analysis of economic and social issues, but also in the analysis of ecological and other matters. Despite ongoing reviews of impact assessment and evaluation procedures, including those stimulated by the Intergovernmental Agreement on the Environment, there remains a need for increasing the effectiveness and efficiency of these procedures. A number of related issues are discussed in the final report of the Coastal Zone Inquiry.²⁹

CONCLUSIONS

The provision and use of clear and unbiased information was the *raison d'être* for the RAC's existence. It was unrealistic to expect it or any other body to provide a new framework for analysing resource issues which would eliminate the need for judgments to be made by governments. The analysis of issues in the three RAC inquiries demonstrates the way in which analytical techniques can be used to throw light on important issues; the analysis of the impacts of proposals contained in many environmental impact assessment procedures pales by comparison.

The RAC made a significant contribution to the analysis of major resource issues by providing a superior inquiry process, and by demonstrating the way in which analytical techniques can be used to provide essential information about resource issues. And it did this in a way which was completely independent of the Commonwealth government, both politicians and bureaucrats, and which was unbiased in its treatment of development and conservation issues:

“With its emphasis on comprehensive processes involving fulsome investigation of land-use debates, ‘independent’ analysis of data and information, and multilateral interest group and public participation, the processes of land-use policy formulation in the RAC period stand in contrast to an earlier era in which decisions were made on an ad hoc basis usually as the result of a reactive

²⁸ Resource Assessment Commission, *Methods for Analysing Development and Conservation Issues: The Resource Assessment Commission's Experience*, Research Paper No 7, Canberra, 1992.

²⁹ Resource Assessment Commission, op cit n 25, ch 12.

campaign conducted by environmentalists aggrieved by the failure of old processes to take environmental considerations into account.”³⁰

The decision not to continue the RAC on an on-going basis means that there is no longer a body concerned directly with the development of methods and expertise for analysing major resource issues. While there was considerable movement of staff in and out of the RAC secretariat, particularly in exchanges between government agencies, the accumulated expertise of the RAC in dealing with resource issues constituted a valuable public asset which has now been dissipated. In addition, the lack of opportunities for personnel from government agencies and elsewhere to participate in the work of an independent and objective body such as the RAC in examining major resource issues represents a considerable loss.

Most published commentaries on the RAC have supported the approaches it adopted. For example, *The Australian Financial Review* said:

“... the RAC was an independent and credible source of environmental advice, and it made it very much easier for ministers to make rational decisions on such emotive issues as Coronation Hill and the management of the coasts and forests ...

The RAC had effectively corralled industry and the environmentalists into a rational decision making framework. Whoever lost the argument before the RAC would lose the public debate, and ultimately, the political struggle.”³¹

It is appropriate to ask what prompted the Commonwealth government to decide not to refer further matters to the RAC. Announcement of the decision as part of the 1993-1994 Budget implies that the principal motive was to reduce expenditure, but the question remains why the modest saving in expenditure associated with the termination of the RAC was deemed to be more important than the retention of the expertise accumulated by it.

One reason for the decision may have been a belief that the RAC did not get on well with the States. Participation by the States was a matter of some concern when the RAC was established, when it was agreed that State and Territory governments, along with other interested parties, would be consulted about the terms of reference for inquiries. In the event, the Northern Territory government played a major role in the Kakadu Inquiry and participated in the other two inquiries. All States played an active role in the forest and timber and coastal inquiries; their agencies were involved in many aspects of both. This made it possible to obtain a much clearer understanding of State views and consider ways in which resource policies can fully recognise State responsibilities. In the forest and timber and coastal zone inquiries, State and Territory representatives gave significant support to the conclusions and recommendations. To ensure that responsibilities of State and Territory governments are fully recognised in a national approach to coastal zone management, the Coastal Zone Inquiry proposed that the Council of Australian Governments, on which the States and Territories are represented by Premiers and Chief Ministers,

³⁰ Nicholas Economou, “Reconciling the Irreconcilable? The Resource Assessment Commission, Resources Policy and the Environment” (1992) 51 *The Australian Journal of Public Administration* 461..

³¹ *The Australian Financial Review*, “Keating and the RAC”, Editorial, 12 January 1994, p 12.

plays an important role in overseeing the formulation and implementation of coastal policies.

A number of matters associated with the Kakadu Inquiry contributed significantly to a decline in support for the RAC in some parts of the Commonwealth government, including disappointment that the RAC did not recommend a specific course of action, and, in some circles, that it did not recommend that mining go ahead. Despite the fact that both the terms of reference for the inquiry and the *Resource Assessment Commission Act* required it, concern was expressed in some quarters that it gave detailed attention to cultural issues affecting indigenous people, and that it examined the way in which such techniques as the contingent valuation method might be used in resolving conflicts (even though it did not use the results in its evaluations).

Of greater importance seems to have been the perception by many in Canberra that the provision of independent advice to the government is a serious threat to their role:

“Politicians and bureaucrats were unhappy about the transparency of the political process. Given the preference for hiding behind the cloak of expert advice, the government surprised few when it decided in the 1993-1994 Budget round to abolish the RAC. The Commission’s crime was to use a rational and visible process, thus exposing the nature of the decision to the public gaze.”³²

³² Ian Lowe, “Implementing the Precautionary Principle” in R Harding and L Fisher, *Proceedings of Precautionary Principle Conference*, University of New South Wales, September 1993.