

Media Release
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Victoria's prosperity – future government should raise the bar not drag the chain

Electorate response to policies and promises made in the lead up to the Victorian State election will set the course for Victoria's prosperity in the years ahead.

The Future Economy Group (TFEG) invited each of the three major parties to articulate their policy response to 'six powerful ideas' to ensure the state's future prosperity, following research and recommendations released in July 2014.

As at 26 November 2014, responses have been received from the ALP and the Greens with unedited versions published on (www.futureeconomy.com.au).

"TFEG's research clearly demonstrates tangible and scaleable opportunities for Victoria in terms of job creation, wealth and the protection of natural capital. TFEG's recommendations provide an important contribution to the state's economic blueprint for future growth. Victorians need to be sure that a future government will be strategic about the challenges it faces, decisive in taking action and not miss the opportunity," said Andrew Petersen, CEO Sustainable Business Australia.

"TFEG's report highlights the need for action now by government to ensure Victoria's next wave of prosperity. Strategic policy direction rather than business as usual will support company and investor action to build a dynamic, resilient and sustainable economy" said Phillip Vernon, Managing Director Australian Ethical Investments Limited

Background to The Future Economy Group recommendations

TFEG's recommendations were based on research that found

- Victoria could create 225,000 jobs and increase the value added from 8 key industry sectors to the economy by 22 per cent (or \$36 billion) by 2028 by restoring environmental assets.
- Improving the quality of natural assets would see the economy outperform current trend projections and become more resilient to future economic shocks.
- In contrast Victoria could lose half a million jobs and \$78 billion dollars in industry value-add unless more is done to protect and restore Victoria's natural capital.

The report recommends that the State Government immediately:

- Undertake detailed modelling to determine industries most at risk from declining natural capital
- Develop a clear plan for the future of the economy that drives employment and prosperity through reducing emissions and pollution, improves resource efficiency and prevents the loss of natural capital,
- Require the Treasurer to disclose economic costs to and values of the environment through budget papers
- Continue to measure natural capital through State of the Environment Report

TFEG report urged Victoria's political and business leaders to adopt six powerful ideas:

1. Taking a 'cradle-to-cradle' approach to the manufacture and consumption of goods
2. Ensuring business leaders and government account for the value of our State's natural capital by measuring and accounting for the contribution of the environment to production
3. Redirecting government payments from polluters to problem solvers
4. Introducing well-designed regulations to curb unsustainable corporate behaviour
5. Adopting broader measures of prosperity than GDP
6. Skilling up Victorians to understand the value of natural capital to our economy

[Link to full report](http://environment.victoria.org.au/newsite/sites/default/files/useruploads/The%20Future%20Economy%20Report%20WEB%20FINAL.pdf)

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About the Future Economy Group

The Future Economy Group comprises business and environmental leaders who have joined forces to research and advocate for innovation and the recognition of the importance of natural capital to Victoria's economy.

Future Economy Group members include bankmecu, VicSuper, **Sustainable Business Australia, Australian Ethical Investment**, Whole Kids Organic Foods, Pacific Hydro, Intrepid Travel, Third Ecology and Environment Victoria.

SBA www.sba.asn.au was established in Australia in 1991, and is the peak body for advocacy for sustainable business activities in Australia, and appointed Global Partner for WBCSD (World Business Council for Sustainable Development) in 2014. Its members represent leading Australian businesses across sectors who share a commitment to economic, environmental and social development. SBA represents just member companies, public sector enterprises and institutions, BINGOs and community organisations, which in turn represent 100,000 + Australian employees. SBA is the secretariat for the Businesses for Clean Economy which is an initiative of over 400 business signatories. www.b4ce.com.au