How bureaucratic structure influenced the assessment of transport infrastructure under the EPBC Act from 2006 to 2008.

#### **Chris Murphy**

#### Institutions and Environmental Impact Assessment

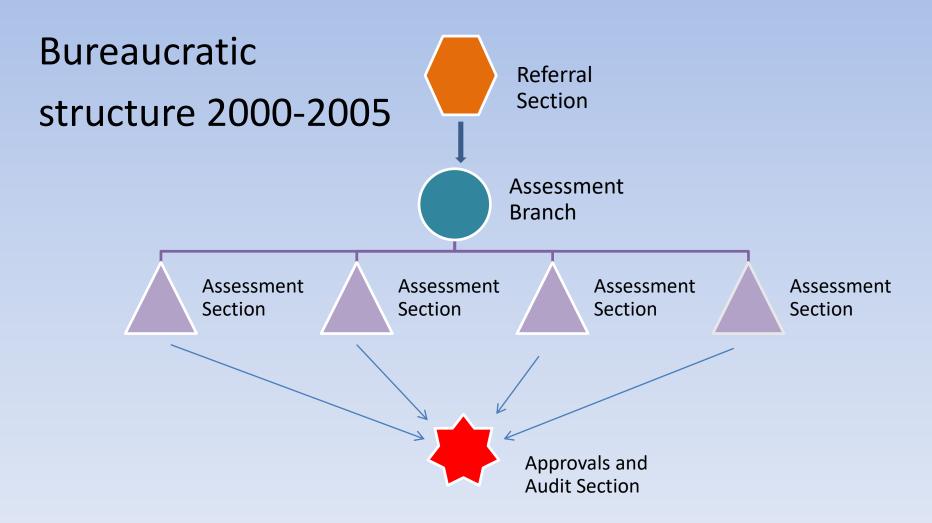
'Institutions are the rules of the game in a society or, more formally, are the humanly devised constraints that shape human interaction. In consequence they structure incentives in human exchange, whether *political, social or economic*.'

Douglass North - Institutions, Institutional Change and Economic Performance

# Institutions and Environmental Impact Assessment

- EIA is just a process to review environmental impacts – it generally doesn't require or mandate specific outcomes
- The institution of legislation contributes less than 10% to EIA outcomes
- Other institutions and organisations are the primary drivers of EIA

### <u>Legislation and Bureaucratic</u> <u>Organisation</u>



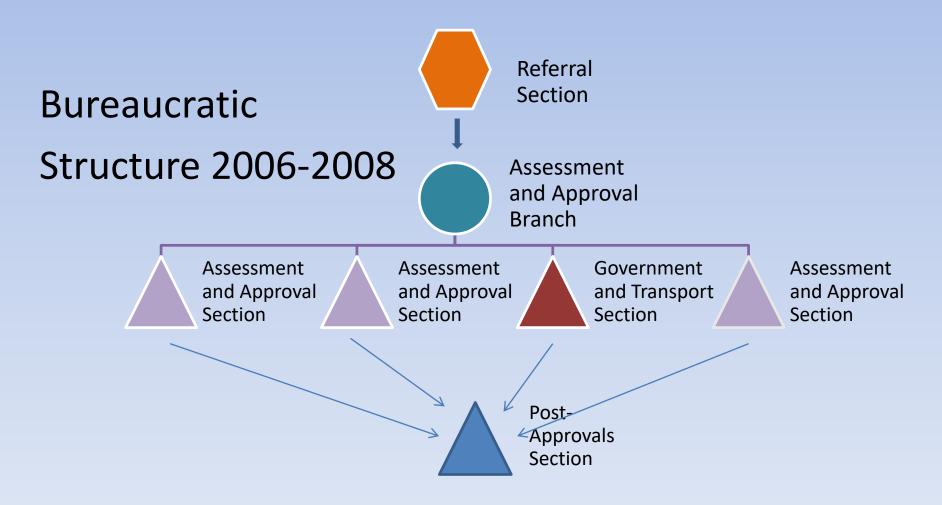
# <u>Legislation and Bureaucratic</u> <u>Organisation</u>

Biodiversity was considered to be an 'economic externality' before 'offsets' were introduced

'Unless there is an obvious reason to do otherwise, most of us passively accept decision problems as they are framed and therefore rarely have an opportunity to discover the extent to which <u>our preferences are frame-</u> <u>bound rather than reality-bound</u>.'

Daniel Kahneman - Thinking Fast and Slow

### Legislation and Bureaucratic Organisation



# **Government and Transport Section**

- Role of bureaucratic specialisation in facilitating better conservation outcomes
- State/Territory Road Departments have different cultures

# **Government and Transport Section**

Investment in Human Capital

'the stock of knowledge, habits, social and personality attributes, including creativity, embodied in the ability to perform labor so as to produce economic value'

Gary Becker - Human Capital

# **Government and Transport Section**

- Addressing the <u>asymmetry</u> of information held by the various participants in Environmental Impact Assessment
- Role of bureaucracy in the cross-fertilisation of information between State/Territory Departments
- Influencing the planning process of projects prior to submission for assessment

# <u>References</u>

- Becker, Gary S. (1964) Human Capital
- Haidt, Jonathan (2012) The Righteous Mind: Why Good People are Divided by Politics and Religion
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- North, Douglass C. (1990) Institutions, Institutional Change and Economic Performance
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