

1. **climate change** is the impacts of the natural environment such as rising temperatures and sea level caused by emissions of greenhouse gases such as carbon dioxide, nitrous oxide and methane
2. **ecologically sustainable development** involves conserving and enhancing the community's resources so that ecological processes and quality of life are maintained
3. **environment** is the totality of the physical environment in which human society lives, and includes the land, water, climate and plant and animal life
4. **free riders** refers to a group of individuals who benefit from a good or service without contributing to the cost of supplying the good or service
5. **market failure** occurs because the price mechanism takes account of private benefits and costs of production to consumers and producers but does not take into account of wider social costs and benefits borne by all of society
6. **negative externality** an unintended negative outcome of an economic activity whose cost is not reflected in the operation of the price mechanism
7. **non-excludable goods** are goods or services whose consumption cannot be restricted by those willing to pay for them, such as clean air and national defense; the private sector is generally unwilling to provide non-excludable goods because individuals may not pay to use them
8. **non-renewable resources** natural resources such as oil, coal and gas that are finite in supply and cannot be recreated in a short time frame
9. **non-rival goods** are goods and services whose consumption by one individual does not reduce the ability of other individuals to also consume the good or service
10. **pollution** occurs when the natural environment is degraded in some way, such as by harmful chemical substances, noise or untreated rubbish
11. **positive externality** an unintended positive outcome of an economic activity whose value is not reflected in the operation of the price mechanism
12. **public good** is an item firms are unwilling to supply as they are not available to restrict usage and benefits to those willing to pay for the good; because of this the government should supply these goods
13. **public sector goods** are goods and services provided by the government such as train services and hospitals
14. **renewable resources** naturally regenerate themselves in a time frame that makes their use sustainable, e.g. timber