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**TITLE: Cheating our way towards Kyoto**

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The Howard Government is all for green consumerism because it helps mask the reality, writes Clive Hamilton.

In the last minutes of the 1997 Kyoto conference on climate change, Australia extracted a vital concession by insisting that countries be allowed to include emissions from land clearing in their greenhouse accounting. The Government knew that land clearing had declined sharply since the accepted base year of 1990, so even before the ink was dry, Australia's emissions had fallen by 5 to 10 per cent.

The nation's greenhouse gas emissions increased only 2.3 per cent between 1990 and 2004, providing the basis for the Government's claim that the total will come in under the limit of an 8 per cent increase above 1990 levels by 2010. However, excluding land use change and forestry, our emissions have grown by 25.1 per cent. This is driven largely by the rapid increase in emissions from energy use, up by 34.7 per cent. Given that land clearing had been falling rapidly for reasons unrelated to climate change policy, and that it represents a one-off impact on emissions, the real target set for Australia was no target at all.

This is why the Government can claim to be on track to meet the nation's Kyoto target despite the fact it has no effective policies to reduce climate change.

By 2010, the expected emissions increase (excluding land-use change) will be more than 30 per cent. This is the proper comparison with the targets accepted by other countries under the protocol.

Australia's emissions from burning fossil fuels have been rising relentlessly. Even if the Government was spending its much-touted \$2 billion of greenhouse programs - a claim shown to be spurious - the funds are being directed to voluntary programs that have virtually no effect.

The Government is enamoured of green consumerism because it gives the impression that someone is doing something. While in surveys, 65 per cent or so of residential customers

say they would be willing to pay more for green electricity, in practice only 2-3 per cent have signed up. Every time a well-meaning environment group urges us to take responsibility for our own emissions, the Government cheers because it shifts responsibility away from it.

We did not eliminate the production of ozone-depleting substances by relying on the good sense of consumers in buying CFC-free fridges. We insisted our governments negotiate an international treaty that banned them.

After the Kyoto Protocol was refined in 2001, the Government commissioned new modelling of its expected economic impact, which concluded it would be higher in 2010 if Australia does not ratify the treaty. It concluded that, by 2010, the country's gross national product would decline by 0.40 per cent if Australia kept out of the Kyoto Protocol, but would decline by only 0.33 per cent if Australia ratifies.

No wonder it refused to release the results for five months, and then did so at six o'clock on a Friday night.

Several conclusions can be drawn from the recent history of climate change policy. First, despite acknowledging the reality of climate change, the Government still operates in a state of denial.

Senior ministers do not accept the science or consequences of global warming. If they did, they would not deny aspects of it or threaten climate scientists from speaking publicly.

Second, climate change policy is determined in Canberra with no regard for the public interest and without reference to the long-term implications for Australians. Hence the Government's reliance almost solely on voluntary programs that have failed to stall the growth of emissions. It is all the more remarkable because the Government's own economic modelling suggested the costs of making the transition to a low-carbon economy would be very small.

It would be wrong to believe that the Government is complacent about climate change. It knows there is considerable public concern and that is why it is making extensive efforts to give the appearance of doing something.

However, it now seems reasonable to conclude that it has decided to move to kill off the wind energy industry, which is consistent with its view that the Mandated Renewables Energy Target program worked too well in stimulating the growth of the industry and the conjuring from thin air reasons to veto wind power developments.

The shift of government research funding from renewables to geosequestration and the recent interest in nuclear power suggest that the Government's strategy is to actively delay any moves to temper the growth of Australia's emissions for 20 years or more.

*Clive Hamilton is the executive director of the Australia Institute. This is an edited version of an address he is to give at Macquarie University today.*