

21 November 1997

Government Prepares to Withdraw at Kyoto

The Prime Minister's announcement on climate change yesterday indicates that the Government is positioning itself to withdraw from the Climate Change Convention at Kyoto.

The Prime Minister yesterday announced a package of measures that he claims will reduce greenhouse gas emissions from a 28% increase to an 18% increase above 1990 levels by the year 2010.

Commenting on yesterday's announcement, Institute Executive Director Dr Clive Hamilton said: "The Government has said that the best it can do is to restrict emissions growth to 18%. Given that the purpose of the Kyoto meeting is to agree on *cuts* to emissions, the Howard Government has dealt itself out of the negotiations with its latest announcement. Mr Howard appears to have embarked on a strategy of 'withdrawal with honour'".

"The package of measures reflects the climate science and the policy thinking of the early nineties. The rest of the world now views the danger of climate change much more seriously and is moving to cut emissions in response to the scientific consensus," said Dr Hamilton.

Revelations last week about the Greenhouse Challenge Program of voluntary agreements with major emitting companies have shown up the limits of voluntary actions. A leaked consultants report to DPIE concluded that only 17% of the claimed emissions reductions by major firms can be attributed to the Greenhouse Challenge Program. Fully 83% of the claimed emission cuts will occur anyway for purely commercial reasons.

The weakness of the Government's latest response is revealed by Mr Howard's statement that "We are prepared to ask industry to do more than they may otherwise be prepared to do ... where this is sensible ...".

"The Australian business community must now confront the prospect of trade sanctions. It would be foolish to imagine that our competitors in markets for energy-intensive products will not retaliate should Australian exporters gain a competitive advantage by refusing to reduce their emissions", said Dr Hamilton.

Contact: Dr Clive Hamilton 02 6249 6221 (bh) 02 6247 5109 (ah)