

Attn: Chiefs of Staff

Pick a Number, Any Number

The Government has resorted to cynical tactics in an attempt to head off revelations that it knew all along that the GST package would cause serious environmental damage.

Senator Hill's announcement on Sunday 27th June that he now has 'new research' showing that the revised tax package will benefit the environment contradicts secret modelling by the Government that shows that the GST package would result in large increases in greenhouse gases and particle pollution.

The secret modelling shows that the fuel price cuts in the GST package will be responsible for a 20% increase in particle pollution and a 6% increase in greenhouse gases from the transport sector by 2015.

Under questioning in a Senate estimates committee on 7th June, Senator Hill refused to make public the modelling results prepared for the Government by the Bureau of Transport Economics and the Australian Greenhouse Office.

However, the secretary of the environment department Mr Roger Beale, correcting his earlier evidence to the committee, conceded that the modelling did show an increase in greenhouse gas emissions as a result of the GST package.

The Government now has two sets of modelling of the GST package. One set was carried out before and during the negotiations with the Democrats and shows *large increases* in pollution. Senator Hill has refused to release these results. The other was done over the last two weeks after the deal with the Democrats was attacked by green groups. This new modelling shows that the tax package will *reduce* pollution. Senator Hill will table this research in the Senate.

Commenting on Senator Hill's move Dr Clive Hamilton, Executive Director of the Australia Institute, said: "Who would fall for such a transparent stunt? Manipulation of numbers to get the desired result only brings serious modelling analysis into disrepute. It shows a contempt for the truth."

"Senator Hill claims that the Australia Institute's analysis has 'fatal flaws'. But this is exactly the same analysis on which the Democrats based their Senate Committee report and which led them to ask the Institute to provide advice during the negotiations. Like the Government, the Democrats abandoned the truth when it became politically inconvenient."

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