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## **News release**

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## What is a Prime Minister's Promise Worth?

The refusal of the Cabinet to agree to Senator Hills' greenhouse trigger law focuses attention on the Prime Minister's firm promise to limit Australia's greenhouse gas emissions to 18% above 1990 levels in 2010, according to Dr Clive Hamilton, Executive Director of The Australia Institute.

In his November 1997 statement 'Safeguarding the Future', Mr Howard announced the 'most far-reaching package of measures to address climate change', a package that would achieve 'dramatic reductions' in emissions growth. Yet latest figures show that Australia's emissions in 1998 were already 19% above 1990 levels with no sign of slowing. Mr Howard shows no desire to fulfill his promise.

"The Government is now allowing the fossil industries to re-run the debate we had before the Kyoto conference where Australia won huge concessions," said Dr Hamilton. "The gift of the world community to Australia now appears to have been rejected, a situation made more distressing for the rest of the world by recent figures showing Australia has the highest per capita emissions in the world."

Attacks by Industry Minister Nick Minchin and Deputy Prime Minister John Anderson on the proposed greenhouse trigger are based on economic modelling that was thoroughly discredited before Kyoto, according to Dr Hamilton.

The Ministers' claim that meeting the greenhouse target would mean the loss of 0.5 to 1.4 per cent of GNP by 2020 is based on advice from ABARE, yet ABARE's climate change modelling was disgraced in the lead-up to the Kyoto conference when it was revealed that it was funded by fossil fuel industries. Organisations including the Australian Coal Association, the Australian Aluminium Council, Exxon, Mobil and Texaco paid \$50,000 for a seat on the Steering Committee overseeing the modelling work.

A report on the funding of the modelling by the Commonwealth Ombudsman in 1998 concluded that ABARE had misled readers of its reports by failing to acknowledge the financial contributions of industry and that the Government's climate change analysis was compromised.

The modelling was derided by the US Government. When asked about the ABARE modelling results, US Under-Secretary for Global Affairs Tim Wirth said that we should "look at what those people are smoking".

Commenting on the latest figures, Dr Hamilton said: "Ironically, if interpreted properly, the latest ABARE results show that the cost of cutting emissions would be minuscule. While per capita incomes in Australia could be expected to double by around 1<sup>st</sup> January 2025, the ABARE numbers show that implementation of policies needed to meet our Kyoto commitments would mean that incomes would not double until 1st May 2025, a delay of four months. Yet Mr Anderson and Senator Minchin predict economic ruin."

"The question is no longer whether we should reduce our emissions, but how best to meet our Kyoto commitments. If the Howard Government plans to renege on Australia's commitments then it should be honest and say so."

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