

18 July 2007

Media release

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Australia has blown its greenhouse budget: New report

Australia has already blown its 21st century greenhouse budget targets according to a comprehensive analysis of the rate at which Australia is emitting carbon dioxide.

The new Australia Institute report shows Australia consumed almost 30 per cent of a 100-year carbon dioxide budget in just five years.

The finding is made in *Australia's 21st Century Carbon Budget: How much have we consumed?*, by the Institute's Deputy Director, Andrew Macintosh.

The report analyses the rate at which Australia is consuming five 21st century carbon dioxide budgets based on stabilising the atmospheric concentration of carbon dioxide at 450, 550, 650, 800 and 1,000 parts per million (ppm).

The results reveal that if the international community is committed to addressing climate change and national greenhouse gas allocations are determined on the basis of population levels, it is highly unlikely Australia will be able to stay within its carbon budget for the 21st century without purchasing a substantial quantity of emission permits from other countries.

"In just five years, Australia consumed almost 30 per cent of a 100-year carbon dioxide budget based on stabilising the atmospheric concentration of carbon dioxide at 450 ppm, which is the level the evidence suggests will be necessary to ensure the global average temperature does not increase by more than 3°C on pre-industrial levels", Mr Macintosh said.

"By 2010, which is the earliest possible date for the introduction of the Federal Government's national emissions trading scheme, more than half of this budget will be gone, leaving approximately 46 per cent of the budget for the remaining 90 years".

The report shows that if Australia is going to remain within budgets based on stabilising the atmospheric concentration of carbon dioxide at 450, 550 or 650 ppm without purchasing emission permits from other countries, emissions would have to be reduced by more than 60 per cent by 2020 and 90 per cent by 2030.

"The failure to take early action to reduce emissions has committed Australia to a development path that will make it almost impossible for Australia to stay within any carbon budget that is consistent with minimising the risks associated with global warming.

"Australia is now going to have to rely on charity in the form of a disproportionately large emission allocation from the international community, or it is going to have to purchase a substantial quantity of emission permits from other countries to cover the large carbon debt that will emerge in the coming years", Mr Macintosh said.

"Although the likely price of emission permits is unclear, there is a significant risk the future carbon debt will place considerable pressure on the Australian economy."