

President; Hon Norman Moore; Hon Peter Foss; Hon Robin Chapple; Hon Kim Chance; Hon Frank Hough; Hon
Jim Scott; Hon Dee Margetts

GREENHOUSE GASES, STATE GOVERNMENT STAND

Urgency Motion

THE PRESIDENT (Hon John Cowdell): Members, I have received the following letter -

Dear Mr President

At today's sitting it is my intention to move pursuant to Standing Order 72 that the House consider as a matter of urgency the reported statement of Premier Beattie in which he supports the Howard Government's refusal to ratify the Kyoto Protocol on climate change.

Yours sincerely

Hon Norman Moore MLC

Leader of The Opposition in the Legislative Council

At least four members will need to stand in their places in order for this motion to be considered.

[At least four members rose in their places.]

HON NORMAN MOORE (Mining and Pastoral - Leader of the Opposition) [3.35 pm]: I move the motion.

I have brought this urgency motion to the House because of a statement made today by Premier Beattie in Queensland about greenhouse gases. It is important that we in the Western Australian Parliament know where the Government of Western Australia stands on this issue. The issue is well and truly back on the agenda, as we all know, because of the World Summit on Sustainable Development held recently in Johannesburg. Interestingly, that meeting applauded President Mugabe and castigated the Australian Government, albeit on two different issues, but that gives an indication of the attitude of the delegates who attended the meeting.

The Australian Financial Review gave a pretty good summary of the meeting when it reported on 5 September. It stated -

The most dispiriting thing has been the sight of southern African leaders cheering Robert Mugabe, Zimbabwe's despotic ruler, as he assailed colonial oppressors while condemning millions of his people to starvation by expelling white farmers and thumbing his nose at America's offer of genetically modified food, which the World Health Organisation considers safe.

It goes on to say -

The Prime Minister, John Howard, yesterday reaffirmed his resistance to signing the protocol. But the differing opinions within the government only reflect the difficult balance that Australia must strike over this issue. Kyoto remains a flawed deal because it does not impose emission targets on developing countries in the region, which could put Australia - a net exporter of energy - at a disadvantage if not put right.

That is a pretty good summary of the meeting in Johannesburg.

We know where the federal Government and a lot of other people stand on this issue, but it is important that we know where the State Government stands on this issue. On 19 August, *The West Australian* reported that all the Labor State Governments and the federal Opposition would hold talks to discuss the question of greenhouse gases and the refusal of the federal Government to ratify the Kyoto agreements or protocols. It is interesting that in this article in *The West Australian* of Monday, 19 August Cockburn MLA Fran Logan was quoted for some reason. He said -

... today's meeting had been organised because Dr Kemp's comments showed he had lost the plot over the greenhouse gas debate.

Canberra had been reluctant to offer compensation for reduced land clearing and had been unclear on what reforms to industrial emissions needed to take place to meet the 2010 target.

Then he said -

"They are making plenty of statements with regard to the Kyoto agreement but they are not talking to the States, who have the jurisdiction over land use, about how the reductions will be achieved," ...

I presume Mr Logan was speaking on behalf of the State Government.

Hon Kim Chance: He is the chairman of our task force.

Hon NORMAN MOORE: I thank the Leader of the House for that. That is helpful.

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He was obviously part of a meeting between all the Labor State Governments and the federal Opposition to determine where the Labor Party in Australia would go on greenhouse gas emissions and the Kyoto Protocol. I am still trying to find out where the Labor Party in Western Australia stands on this issue, and I hope we will be told today. I looked at its environment policy for the last state election. While it refers to the Kyoto Protocol, it mentions Australia's response to that protocol in quite positive terms. No comment in that Labor Party policy document refers to the Labor Party's position on ratification of the Kyoto Protocol. I have looked at some of the comments made by various members of the Government, and I refer to none other than the Leader of the House, who said in the Legislative Council on 22 August, at page 438 of *Hansard* -

It is a matter of great regret to all of us that, despite playing a major role in achieving better environmental conditions worldwide, Western Australia actually gets penalised under the Kyoto Protocol for the part it plays in the massive improvement in environmental conditions.

That is very important comment from a very important person for the Western Australian Government. The position of the Labor Party is not all that clear, and it is important that it be made clear. A number of circumstances facing the State require the Labor Party to resolve its position. Last week, the House was debating the Mineralogy Pty Ltd project in the Pilbara, and I quoted from a newspaper article about an Environmental Protection Authority decision on Mineralogy, which talked about that project having to find \$320 million to make the project environmentally acceptable in greenhouse emissions. It said that the project would pump 5.5 million tonnes of carbon dioxide into the atmosphere, which would increase Western Australia's total carbon dioxide emissions by about 13 per cent, and Australia's by 1.4 per cent. As a result of that, the Environmental Protection Authority has placed an additional burden on the plans of this company. We all know that Mineralogy is not the only project that is being looked at in the Pilbara. Gorgon is a massive gas deposit which, if developed, would significantly increase Western Australia's carbon dioxide emission, if very expensive processes involving re-pumping into the ground are not undertaken. The article about Mineralogy in *The West Australian* of Monday, 5 August states -

WA Conservation Council coordinator Rachel Siewert praised the EPA's stand but said that it had not gone far enough.

Industrial projects on the drawing board for WA would increase the State's greenhouse gas emissions more than 30 per cent if they all went ahead, Ms Siewert said.

She is saying what many of us know - that if these very significant developments are to take place in Western Australia, there will be an issue with greenhouse gases. I am very anxious to know where the Government stands. Just this morning, the EPA green light was given for the Kwinana Hismelt project. An article in *The West Australian* today stated -

Rio Tinto's proposed \$400 million Hismelt pig-iron plant at Kwinana has won environmental approval, despite being identified as a potential big contributor to greenhouse gas emissions.

The Environmental Protection Authority said the first and second stages of the plant would produce about three million tonnes of carbon dioxide a year.

This represents about 6 per cent of WA's and 0.66 per cent of Australia's total greenhouse gas emissions.

I gather the Government supports this project, because the article is accompanied by another picture of the Premier standing in front of the project, but again the issue of greenhouse gases is raised. It is important that we know what the position of the Government is on this. Hon Clive Brown is the minister for all of this. On 28 September 2001, he said in the House -

Also, Australia is the only significant LNG producer with Kyoto targets and is, therefore, particularly vulnerable.

I have given a number of examples of situations that have arisen, and will continue to arise in the future, which indicate that it is important that Western Australians, and industry, know where the State Government stands on the issue of greenhouse gases and the signing of the Kyoto Protocol. It is clear that the attitude of the federal Labor Party is that Australia should ratify the protocol, but I want to know what the position of the State Government is. I was jolted into raising this today, on reading in *The Australian* and *The Australian Financial Review* today that Premier Beattie of Queensland has come out backing the Liberal Party on the Kyoto Protocol. The article on page 5 in *The Australian* today is headed "Beattie backs Libs on Kyoto treaty", and the subheading reads -

'There is only one state that would be advantaged by the Kyoto Protocol . . . NSW.'

The article states -

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Peter Beattie has given unexpected support to the Howard Government over its refusal to ratify the Kyoto Protocol on climate change.

Responding to demands from Bob Carr to immediately ratify the deal, the Queensland Premier said doing so would hurt all states except NSW.

...

If Canberra ratified Kyoto, Mr Beattie said, he would demand "some arrangement" - possibly compensation - to protect the minerals-rich economies of Queensland and Western Australia.

Is it not interesting that the Premier of Queensland is coming out trying to look after the interest of Western Australia? I have not seen anything from Dr Gallop, or the Minister for the Environment and Heritage, on this matter. The article goes on to discuss the federal Labor Party's environmental spokesman, Kelvin Thompson, getting stuck into the federal Government and saying that it should ratify the protocol. There is no doubt where the federal Labor Party stands, but it would be interesting to know where the States stand. We have already heard that Mr Carr and Mr Bracks are strongly in support of the federal Government ratifying the protocol, and there is plenty of evidence of their position. It is referred to in *The Australian* today. It is also referred to in the article in *The Australian Financial Review* which states -

Queensland Premier Peter Beattie has triggered a potential brawl with his state and federal Labor Party counterparts by backing Prime Minister John Howard's stance against signing the Kyoto Protocol.

Federal Labor Leader Simon Crean, along with NSW Premier Bob Carr and Victorian Premier Steve Bracks, all strongly support ratification of the treaty.

But yesterday, Mr Beattie said Queensland and Western Australia would be severely disadvantaged if the agreement was ratified in the short term.

He also attacked a suggestion by Mr Carr yesterday that NSW could go it alone on meeting greenhouse emission target, saying that NSW was in a "luxurious" position.

"There is only one state in Australia that would be advantaged economically by the Kyoto protocol, and that's NSW," Mr Beattie said.

That is the scenario that has been reached today. Here we have a situation in which Western Australia has significant development on the horizon, the potential for massive investment and job creation, but greenhouse gases may become an issue if Australia goes down the path of the Kyoto Protocol. The federal coalition Government is opposed to ratifying the protocol, on the basis that it is against Australia's economic interests, and now Premier Beattie comes out and says that his federal colleagues, his New South Wales colleague, Bob Carr, and his Victorian colleague, Steve Bracks, are all wrong. He is saying that Queensland and Western Australia are the two States which have the most to lose if these protocols are endorsed. It is important for the Western Australian community to know where the Western Australian Government stands. Does the Western Australian Government support Mr Crean and Mr Thompson, the federal spokesman, or does it support the federal Liberal Government, and Mr Beattie? It would be interesting if the Government decided to be on both sides, because that would be very difficult. Either the Government supports the protocol or it does not, and it would be very difficult to take a middle-of-the-road position. There is no doubt in my mind, and in that of the Opposition, that Australia should not ratify those protocols. We agree with the federal Government that the ratification of those protocols is against the best economic interests of Western Australia and that there are some fundamental flaws in the Kyoto Protocol in that they are based on reasoning that is not necessarily environmental and which represents the vested interests of a vast number of different groups within the world community. I was interested in the position of *The Australian* on Kyoto, which was spelled out in an editorial on 19 August. The article states

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The Kyoto protocol is, as *The Australian* has argued, an exercise in the politics of gesture. It is about symbolism and historic resentments of industrialised nations by the developing world as well as European Union arrogance.

Eminent scientists such as Denis Dutton have argued that the Kyoto protocol supporters are relying on bad science and poor logic fuelled by hysterical fascination with climate "disaster scenarios".

That is the sort of language we hear from our Greens colleagues day after day. They would have us believe that the world as we know it will end tomorrow. In some cases, they would be happy if that happened. They spend half their lives frightening the hell out of everyone in Australia who bothers to listen to them. They try to convince people that by voting for them, they will change the world in its entirety. That is not a fact.

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Hon Jim Scott interjected.

Hon NORMAN MOORE: The member will be able to argue his case in a minute. Many people do not agree with him. He does not always get it right.

We are very keen to know what the Western Australian Government believes we should do about the greenhouse gas issue and the Kyoto Protocol.

HON PETER FOSS (East Metropolitan) [3.50 pm]: This House has previously discussed the Kyoto Protocol at some length, and I will not do much more than refer members to the speech I made in that debate, during which I indicated that one of the big problems with debate on the Kyoto Protocol is that most people, including the Greens, have not read it. That was the case when the Greens moved their motion. It is pleasing that some of them read it afterwards so that they could have some understanding of it. The Kyoto Protocol has become one of those sacred cows that people believe in but do not read. Most of the world is not included in the program it sets up. The original concept may have been well intended; however, the deal that was cut is a deal of self-interest. It is wonderful for the developing nations and Europe but disgraceful for any country in the situation Australia is in or that has in the past done something about modernising its industries. The protocol has been set up to protect places like Europe, which has many old, smoky, dirty, inefficient industries and which wants to replace them with more efficient industries and use more acceptable fuels. Those areas will get a credit for upgrading their obsolete, filthy stuff that has been polluting the atmosphere and contributing to the greenhouse effect for over a century. However, any nation - except, of course, China and India - that has never had any industry like that and wants to develop new stuff will get penalised. China and India comprise two-thirds of the world's population. They are massive industrial countries that are not worrying too much about pollution and greenhouse gas, and they are not bound by the protocol. Their percentage contributions of greenhouse gases - even though the estimates are believed to be inaccurate - are not even included in the figures used in the Kyoto Protocol. If all the food in the world were spread out so that everybody had the same amount to eat, we would eat like the Chinese. The most common language spoken in the world is Chinese, and the most common name in the world is Wu. If two-thirds of the world's population is left out of the protocol, what we do will be absolutely irrelevant. We contribute as much to the greenhouse gas problem as my toenail contributes to my body. The majority of the per capita emissions that are attributed to Australia are caused by both native and domestic animals farting. We live in a very large country that contains an awful lot of farting animals. However, that does not mean we should cut back our industry. This self-interested protocol -

Hon Dee Margetts: People have developed technology so that animals fart less.

Hon PETER FOSS: Yes - put corks in them. I can think of a few people we could do that to.

The reality is that the Kyoto Protocol is a self-interested document carefully produced for the advantage of Europe and the disadvantage of places like Western Australia. If we produce gas in the North West Shelf and ship it to Japan, Japan gets a credit because it is using gas and we get a debit because we are producing gas. That is how it works. What a brilliant method. No-one can use gas unless someone produces it, but Western Australia is penalised for producing it, and Japan and Europe or whoever are patted on the back for using it. If we build a brand-new plant in Western Australia to take advantage of the gas we have, we get a penalty, but if a country in Europe builds exactly the same plant to replace an existing one, it gets a benefit.

I am very pleased that the Australian Government has fought this. The previous Government of Western Australia made strong representations on this matter. This very simple point was very forcefully put to the then federal Minister for the Environment and Heritage by the then state Minister for the Environment, who could work out where this would lead. That minister was me. I am very pleased that Senator Robert Hill took those representations into account and has represented Australia and not followed like a sheep into accepting stupid ideas that play into the hands of Europe and do nothing whatsoever to reduce greenhouse gas emissions. The protocol assists the personal interests of Europe. It does nothing to address any problems that might be caused by greenhouse gases because it does not address the contributions of China and India. What is the point of someone cutting his toenails if his body weight is doubling? That is what we are doing. We are paying attention to cutting our toenails, but we have forgotten that we are twice the weight we should be. We are continuing to expand because China and India are expanding uncontrollably. We contribute as much to greenhouse gas emissions as much as we contribute to the number of surnames in the world. We speak English. Anyone who thought that only English is spoken throughout the world is wrong. Whether we like it or not, one of the most important languages in the world is Chinese.

Hon John Fischer: Which dialect?

Hon PETER FOSS: Mandarin.

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The former federal environment minister is now the defence minister. Western Australia and Queensland have the greatest opportunity to develop greenhouse-efficient industries to replace the inefficient industries in Victoria, New South Wales and Europe. If Western Australia can replace those industries, it will make a positive contribution to the reduction of the world's greenhouse emissions. That would take away from Europe its inefficient industry. We would not have to transport the gas needed for those industries, which in itself would be a saving in fuel. I am very pleased that the new minister is sticking with his predecessor's opposition to the Kyoto Protocol, because history is quite clear about how the federal Government behaves when under pressure from Victoria and New South Wales. Senator Hill is in many ways one of most sensible, Australia-aware ministers I have come across. The State Government needs to maintain constant vigilance to ensure that the current federal environment minister does not move from the stance that was taken by his predecessor and that the Prime Minister does not succumb to pressure from other groups. This Government must come out strongly and say that the Kyoto Protocol, no matter how well intended it may be, is a document of total self-interest. It is, as *The Australian* stated, a mere gesture.

It does not surprise me that the Greens support it. I am used to them supporting the most stupid ideas, founded on the most stupid of bases, and knowing nothing about how things work. That is par for the course. They inherited their economic wisdom from Karl Marx. Hon Christine Sharp gave us the Karl Marx version of the economy the other day. We saw how brilliant that economic theory was. I am not at all surprised that the Greens' other economic beliefs are completely up the spout. We all know where they came from. The Kyoto Protocol is a self-interested document perpetrated by the arrogance of Europe in cahoots with Japan and aided and abetted by China and India, which have no constraints on them whatsoever. The Greens have always been in favour of that mob. The Greens and all their commie mates have always been in favour of looking after those people. It did not matter what they did; they could march into Hungary and Czechoslovakia, and the Communists said it was wonderful. When it was decided that the communist economy was no good, the Australian communists marched across to the green camp. We know where the Greens have come from because the ideas have not changed. The Greens are totally stupid about economics and about the way things work. It is a disgrace that the Greens moved a motion of this nature when they had not even read the Kyoto Protocol. What do members of the Greens know about the Kyoto Protocol? They know only what they have read in *The Greener Times*. However, the Greens do not really matter; what really matters is the attitude of the Government, because, if it is not prepared to support the federal Government on this issue, Western Australia, and Australia as a whole, will suffer as a result of the goody-goodies who know nothing but who support the blind greed of Europe, because it happens to have a green front. A green front will be of no use in this situation. There must be a determination by the people to stand up for what is right.

HON ROBIN CHAPPLE (Mining and Pastoral) [4.03 pm]: I thank Hon Norman Moore for moving the motion because the debate will help to clarify the Government's position - we hope.

It is interesting that Mr Beattie has, seemingly, done a backflip. Given the comments of the member for Cockburn on 19 August, I hope that the Western Australian State Government will not do a similar backflip. In response to Hon Peter Foss, it is important to gain an understanding of the economic implications for Australia if it does not sign the Kyoto Protocol. The Kyoto Protocol will come into effect after it has been ratified by at least 55 signatory nations, including those that emit at least 55 per cent of the emissions from industrialised nations. In July 2002, the protocol had been ratified by 76 nations. It has been indicated that China, India and Russia will ratify the agreement, and that will mean that the Kyoto Protocol will come into effect. If Australia is not a signatory to the Kyoto Protocol, it will not have the ability to benefit from its gas deals, because it will not be involved in the clean development mechanism. Therefore, it will not have trading rights. Australia must ratify the protocol in order to be involved in trading. If it does not, its ability to achieve the figure of 111 per cent, which the federal Government has stated we are on target to achieve - a claim I dispute - will not apply. Hence, it seems somewhat disingenuous to include a Chinese gas deal in Australia's positive projected targets while at the same time continuing to refuse to ratify the protocol. Australia will be left out of the trading arena and it will suffer accordingly. The federal Government has spent much time, effort and expense arguing for the inclusion of emissions trading during the negotiations before and after the establishment of the Kyoto Protocol. Now that that has been achieved, it would be absolutely foolhardy to withhold ratification and to be excluded from any of the benefits of trading.

A number of business groups have recognised the potential for investment opportunities under the pending trading regime and are keen to participate. Most notably, BHP Billiton Ltd Australia supports ratification to part of the process, as does the former Liberal Party leader and economist John Hewson. It is a bit of a nonsense for Hon Peter Foss to provide a dinosaur rendition of the direction in which we should be headed. It is the typical head-in-the-sand, ostrich mentality that we sit here and do nothing, especially when we consider the fact that Australia, on a per capita basis, is the greatest emitter of carbon dioxide in the world.

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Hon Norman Moore: Per capita.

Hon ROBIN CHAPPLE: I said per capita. That is important to recognise. Moreover, in division 24 of the budget hearings on 1 June 2000, Dr Limerick, who now heads the Office of Major Projects, stated that the most recent estimate was that Australia had passed the figure of 108 per cent agreed to by the federal Government, if it were to ratify the Kyoto Protocol, and that it had already blown the target. He also stated that -

It is not a question of restraining growth in emissions in Australia but of winding them back.

According to the most recent figures released by the State Government for current emissions and projected amounts, in 1999 - not 1990 - Western Australia's carbon dioxide emissions were 56 million tonnes per annum. Rio Tinto's Hismelt project will add three million tonnes; Boddington gold mines, 3.73 million tonnes; Hope Downs Pty Ltd, 0.65 million tonnes; Ravensthorpe Nickel Operations Pty Ltd, 0.217 million tonnes; Austeel Pty Ltd, 5.5 million tonnes; one train alone from the Gorgon development, 1.4 million tonnes; Methanex, 2.5 million tonnes; Syntroleum, 1.71 million tonnes; Burrup Fertilisers Pty Ltd, 1.44 million tonnes; Dampier Nitrogen Pty Ltd, 0.89 million tonnes; Japan DME, one million tonnes; GTL Resources (Australia) Pty Ltd, 0.29 million tonnes; and the Woodside Petroleum Ltd expansion, 3.1 million tonnes, giving a total of 25.427 million tonnes of carbon dioxide. That figure excludes the emissions from the Griffin Coal power station, the mining area C development, the West Angelas iron ore mine and the Telfer and Gorgon expansions. The cumulative impact of those figures alone - given that Dr Limerick said that Australia was already 10 per cent above its emission target in June 2000 - gives an increase of 45 per cent. This means that not only have we blown the budget, but also we have moved into the realms of irrelevance in international trading if we do not sign the Kyoto Protocol and offset some of the emission expansion through carbon trading mechanisms.

The federal Government must realise that Australia should in no way, shape or form be excluded from the processes that will otherwise work against Australian interests. Rather, it must be involved in the process and identify some of the issues involved with the Syntroleum, Methanex and Burrup Fertilisers projects, which can be offset by clean development mechanisms. If not, the federal Government will miss the boat; the national economy will suffer as a result and the state economy will be put in great jeopardy. I will be interested to hear suggestions from the parliamentary spokesperson as to the best way to encourage the federal Government to ratify the Kyoto Protocol and to ensure that, in the future, we enter into some of the carbon trading which is being touted by the nature of the Methanex, Burrup Fertilisers and Dampier Nitrogen projects, and others.

HON KIM CHANCE (Agricultural - Leader of the House) [4.10 pm]: This is an important question and is one that could be regarded as the most important facing the globe in terms of threats to the ecology that surrounds the greenhouse issue.

Until quite recently, the greenhouse impacts upon climate change had been predictions or scientific theories. That is now no longer the case. The greenhouse effect on climate change is now a measurable commodity. There is a range of views about the rate at which climate change will occur and what other factors have contributed to the measurable component of climate change. However, I am not aware of any serious scientist or climatologist who doubts that the greenhouse effect is having a negative effect on our climate. The Kyoto Protocol is real and no longer something that can be talked about prospectively. Japan, Canada, Russia and China have all either ratified the Kyoto Protocol or have indicated their intention to do so by the end of this calendar year.

Hon Norman Moore: That does not necessarily have an impact on what happens to those countries.

Hon KIM CHANCE: I do not want to engage in that debate. The differential effects are dependent upon whether the country is deemed developed or undeveloped. Whatever the truth of that may be, undeniably flowing from the decision made by those four countries, which has triggered the mechanism over the balance point, is the fact that the United States and Australia will be the only two developed countries in the world not in the loop when the protocol comes into effect. That is not a debatable issue; it is a fact. Australia is now behind the wave; we are now the shags on the rock.

Hon Bill Stretch: Perhaps we are just different.

Hon KIM CHANCE: I am simply recognising some facts because we need to know exactly where we stand.

Hon Norman Moore: We need to know where your Government stands.

Hon KIM CHANCE: Members opposite first need to know a couple of things.

The Commonwealth is arguing that it will cost to ratify. The most recent economic analysis commissioned by the federal Government on this question shows that it is in the economic interest of Australia to ratify the protocol.

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Hon Norman Moore: You should read that carefully because there is conflicting information about that analysis.

Hon KIM CHANCE: I believe there is a misprint in this analysis. The analysis showed that the gross domestic product would decline by 0.33 per cent by 2012 if Australia ratifies the protocol compared with 0.44 per cent if it does not ratify. I cannot quote the source of that information and perhaps I should not have read it out.

More recently, we have had the McKibbin report.

Hon Norman Moore: Is that the one to which you just referred?

Hon KIM CHANCE: The McKibbin report post-dates the other information I just read out; it is not the same information. The McKibbin report indicated that Australia's GNP would be 0.07 per cent better if we ratified the agreement. I have not read the McKibbin report so I have not formed a view on it. However, to be entirely fair, that is a statement which is strongly contested by Minister Kemp who says that the figure has been manipulated. I am simply recognising that that statement has been made; I am not basing an argument on it. There are arguments about the cost of ratification.

The Western Australian Government's view is that the decision to ratify is a matter for the Commonwealth. The State's role is to provide advice to the Commonwealth and, internally, to make adjustments that recognise the inevitability of international arrangements of this kind, which allows the State to make the best of the situation. The word "inevitability" cannot be set aside. Along with the United States, we are now behind the main wave. There is an inevitability about ratification that must be understood. Taking extreme positions on this matter is not at all helpful. Elements of the Kyoto Protocol are unfair or, indeed, absolutely silly and counterproductive. To pretend that the issue can be addressed by ignoring it is not an option. We must recognise the facts. I have tried to lay out the facts in their progressive order. One cannot say these things are not there. Australia faces risks both ways. If Australia ratifies, it agrees to the deficiencies to which Hon Peter Foss referred. If Australia fails to ratify, its economy may be isolated from the rest of the trading world. There is no polemic between what was said by Hon Peter Foss and Hon Robin Chapple. We are stuck between those two truths. What Hon Peter Foss said was right; I agree with it and I have agreed with it in the past. However, Hon Robin Chapple is also right. We do not have many choices in this matter. It is not an issue that can be seen in the black and white terms expressed by Hon Peter Foss or Hon Robin Chapple.

The Western Australian Government has strongly supported the federal Government in modifying the worst aspects of the protocol in its proposal stage. At Bonn, we had some success by convincing the international community that the question of carbon sinks and carbon sequestration were worthy of adoption, an idea that Australia ran with virtually alone at that forum. If we had one win at Bonn, it was on the matter of carbon sequestration. It was the case of the Commonwealth leading the State of Western Australia with the State supporting the Commonwealth in making that vital change.

The Leader of the Opposition referred to my earlier statement on the ridiculous outcome of WA being disadvantaged as a result of supplying liquefied natural gas to China - an action that has greenhouse-positive results but which penalises Western Australia. It is a crazy and ridiculous situation but it is the protocol. Flexibility mechanisms within the protocol provide some allowance for bilateral and multilateral exchange between countries, which sheds some additional light on that issue.

The clean development mechanism was referred to by Hon Robin Chapple. The notes with which I have been provided state that the Australia Institute estimated that perhaps around \$2 billion worth of carbon credits may have been available to Australia in this instance had both Australia and China ratified the Kyoto Protocol. There is flexibility in there. A number of other flexibility mechanisms, including the joint implementation and international emissions trading, are available.

HON FRANK HOUGH (Agricultural) [4.20 pm]: After listening to the minister, I am still undecided about his position. He appeared to be having two bob each way, which made it difficult. I totally agree with Hon Norman Moore and Hon Peter Foss. As Hon Peter Foss said, I made this particular speech some time ago - it was on a Thursday afternoon and went for about an hour or so - and I remember it clearly. He must know it verbatim. The minister said that there was clear evidence about global warming. I will mention some points from one of the Labor Party's great supporters, Peter Walsh, who is tied up with the Lavoisier Group. That group has done quite a bit of work on this subject, and one of its pamphlets states -

Since 1979, satellites have been taking temperature measurements at three different levels in the atmosphere, covering the entire globe. The satellites make no distinction between land or ocean, city or country, day or night. The results of this huge temperature data set are shown in the diagram. *The net change over 22 years is 0.06 degrees Celsius - a barely perceptible increase of 0.003 degrees Celsius per annum.*

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If that is a sign of global warming, the data shows that it is occurring at 0.003 degrees Celsius per annum, so it will take a long, long time. The emissions from the whole of Australia's industry would not equate to the emissions from a city such as Shanghai. Australia has an area of hundreds of thousands of square kilometres and has a few factories dotted here and there, yet it is expected to fall into line with the European Union. That move obviously would be to the great advantage of the European Union; it would save money, because those countries have old equipment and factories that produce emissions. The emissions from Australia are not even measurable. It is an insult for this country to be included. This is one time when Australia should not be included in the equation. The pamphlet from the Lavoisier Group asks "Why do it?", and states -

Australia is being urged to commit to an economically damaging policy because it is alleged that man's use of fossil fuels is increasing concentrations of carbon dioxide in the atmosphere; that global temperatures are increasing as a consequence; and that increasing temperatures will cause sea levels to rise, increased cyclonic activity, and the spread of tropical diseases such as malaria.

The section on misconceptions states -

There are two problems with this argument. The first is that 22 years of satellite measurements of atmospheric temperatures show virtually no temperature increases in the atmosphere, precisely where the greenhouse theory requires them to be manifest.

Hon Dee Margetts: What are you quoting from? What is the date of that publication?

Hon FRANK HOUGH: I am not quoting from the Greens' doctrine. The Greens come up with all these -

Hon Dee Margetts: Identify your source.

Hon FRANK HOUGH: The pamphlet continues -

The second is that not only would a reduction by Australia of carbon dioxide emissions from 567 to 416 million tonnes have no discernible impact on atmospheric carbon dioxide concentrations; the world-wide reduction mandated under the Kyoto Protocol would, likewise, -

Points of Order

Hon JIM SCOTT: I ask that the member identify the document from which he is quoting.

The PRESIDENT: The member will identify the document.

Hon FRANK HOUGH: I was going to identify it at the end. It is headed, "The Kyoto Protocol: Should Australia Ratify?" and was produced by the Lavoisier Group.

Hon Dee Margetts: What is the date of publication?

Hon FRANK HOUGH: I am glad the member asked. I know that it was produced in 2000, but I ask the member to bear with me while I find the date. It was in April 2000. I cannot provide a date in April, but I will guess at 12 April because that is my birthday.

The PRESIDENT: The member has sought valiantly to identify the document. I think that satisfies the standing orders requirement.

Debate Resumed

Hon FRANK HOUGH: The directors of the Lavoisier Group are Peter Walsh, Ian Webber, Harold Clough, Peter Murray and many others who are a lot more intelligent than the Greens. The document continues -

... have no discernible impact on these concentrations.

The next section, headed "Having our own policy", states -

Regardless of what other countries do, Australia does not have to ratify the Kyoto Protocol. The US has rejected it. Why should Australia export jobs and investments to other countries, and accept a much lower standard of living, merely because the European Union (the champion of the Kyoto Protocol), -

Out of self-interest -

on the basis of an unproven theory, demands that we should?

I will provide an interesting lesson for the Greens. For those who do not know, the Lavoisier Group was named after Antoine-Laurent Lavoisier, who the pamphlet states -

... discovered oxygen, identified carbon dioxide as the product of combustion of carbon in air, and who laid down the theoretical basis of modern chemistry. He was also an ingenious experimenter and instrument-maker who insisted on the highest possible accuracy when taking measurements.

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The next point may thrill the Greens -

He was executed by the French Revolutionary Government in 1794.

I guess he had his head chopped off. That Government was into capital punishment, which is another favourite topic of mine.

Several members interjected.

The PRESIDENT: Order!

Hon FRANK HOUGH: It is amazing. When there is an environmental discussion, the Greens honestly think that no other party in Australia has any environmental credentials. I suggest that One Nation is probably a lot greener than the Greens, which sends out messages that they are an environmental party when they really do not care about the environment. One Nation totally supports the comments of Hon Norman Moore and Hon Peter Foss. I would like the minister to not have two bob each way. I am curious to know which way his bets are running. I was surprised that he did not give us an answer.

HON DEE MARGETTS (Agricultural) [4.29 pm]: It is with great pleasure that I respond. Given a choice between the environmental credentials of Peter Walsh and the Commonwealth Scientific and Industrial Research Organisation, it is a tough decision but I think I would choose the CSIRO. The CSIRO brochure titled "Climate Change Projections for Australia" states -

From the SRES emission scenarios, the IPCC projects a globally averaged warming of 1.4 to 5.8°C by 2100 relative to 1990 (Figure 2). This range includes the uncertainty in the climate system in response to enhanced greenhouse gases as well as the uncertainty in the amount of emissions. The projected rate of warming is 0.1 to 0.5°C per decade.

That means that Western Australia will lose a great deal of its indigenous bushland. A number of models indicate that global warming will increase by one or two per cent. That would wreak enormous damage on our farming community. The main reason I stand today is to indicate that many people in regional Western Australia are very concerned that currently, insufficient funds are available to assist in revegetation programs or to protect existing vegetation in regional Western Australia. At this time, the State and the nation has an opportunity to deal positively in carbon trading and use that for the protection and enhancement of Australia's natural resources. The ecological services provided by the Australian bush - not just the tall trees - are immense; however, what we stand to lose is even greater. The relatively small amount of loss to some industries is not as great as what we stand to lose if we do not act as if we live on the same planet as the rest of the world.

The Greens (WA) agree with some of what Hon Peter Foss said. We are about as impressed with the Kyoto Protocol as he is, but for different reasons. We believe that Australia pushed for shameful exemptions in Kyoto. When I was in Kyoto, I felt extremely embarrassed and angry on behalf of the people of Australia. When the Australian people have been polled, they have indicated that they are willing to pay more for products to contribute to the reduction of the world's greenhouse gas emissions. I wonder who members represent when they make political statements about this issue. Do they represent, or are they aiming to represent, a narrow view of some sectors of some industries, or do they think they represent the majority of Australians? When polled, people not only say that we should sign the Kyoto Protocol, but also that we should act responsibly. Even before I went to Kyoto when the climate change conference was being discussed, polls in major Australian newspapers were conducted on whether Australians would be willing to pay more for products to reduce greenhouse gas emissions. About 70 per cent of the respondents were in favour of doing that.

Several members interjected.

Hon DEE MARGETTS: Many such polls have been conducted.

I am pleased that members referred to the Australia Institute because it has provided much useful data regarding relative costs, relative employment opportunities and what might happen if Australia goes along with the Lavoisier Society's suggestions. The data from satellite projections used by that society has been found to be incorrect. The flat-earth Lavoisier Society has disbanded. Australia got a cushy deal under the Kyoto Protocol. This means that we must consider where our real employment opportunities lie in the future. They do not lie in going down the same old path of concentrating on only energy intensive industries. Western Australia has the largest land mass of any State in Australia, and it is a political entity.

We have a huge responsibility to grab this moment in history to work with farmers for the use of carbon sinks and carbon trading. They are desperate for political leadership to show them how they can proceed. They want to know where the private and government funding will come from to manage bushland and reverse the damage that has been done. Many discussions have occurred in this place - although not enough - about the damage done to rural Australia by salinity and acid soils and the lack of resources and direction of funding. We have

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probably the best opportunity we have ever had to direct those resources to assist farmers. If we sign up to this treaty, there will be much demand for people to invest in carbon credits, to fence properties and enhance and rehabilitate much degraded farmland in Western Australia. By not signing the Kyoto Protocol, the Australian Government will deny farmers those unique opportunities.

I am disappointed that the Leader of the House did not clearly state the State Government's position on the Kyoto Protocol. I would like the Government to state its position in a press release, for example. I would like a clear, unequivocal statement on whether this Government supports Australia signing the Kyoto Protocol.

Motion lapsed, pursuant to standing orders.