

Economic warning for region

By JACQUI JONES and DONNA SAWYER

THE Hunter is set to be among the regions hardest hit by the proposed emissions trading scheme, a leading economist has warned.

Professor Philip Adams, director of the Monash University Centre for Policy Studies, told *The Herald* the Hunter was one of three regions that would suffer the worst economic impact as a result of the emissions trading scheme.

Professor Adams said the Hunter Valley's coal-reliant economy, the Fitzroy area in Queensland and the La Trobe Valley in Victoria would be affected by the price placed on greenhouse gas emissions.

"The emissions trading scheme is all about putting a price on carbon dioxide - it's effectively a tax on CO₂," Professor Adams said.

"Carbon dioxide emitters, such as the coal industry, will be taxed on emissions under the scheme which will affect profitability.

"As coal becomes more expensive, demand will move away from it and as demand moves away, there will be less investment in the coal industry."

Professor Adams said revenue generated by the emissions trading scheme ought to be partly used to help regions such as the Hunter.

"It's not all doom and gloom for the Hunter," he said. "It is likely the Federal Government will release some of the permits free of charge and perhaps they will also use the revenue to invest in the region."

"There is no doubt that areas such as Newcastle and the Hunter Valley will change."

The deputy chief of the CSIRO Energy Centre in Steel River Estate, Mayfield West, Jim Smitham, said the future of energy and emission controls ultimately lay with China, the US and other big producers.

China built the equivalent of the entire Australian electricity network every year, Dr Smitham told yesterday.



RESEARCH: CSIRO Energy Centre deputy chief Jim Smitham yesterday.

PM digs in on targets

PRIME Minister John Howard's refusal to set a greenhouse target before the federal election has left a huge hole in his climate strategy, Labor said yesterday.

Mr Howard will wait until 2008 before setting a long-term goal to cut greenhouse gases under the emissions trading system he endorsed at the weekend.

He said yesterday the Government would take the "sensible" route of doing economic modelling before fixing a target.

Opposition treasury spokesman Wayne Swan said the evidence showed the Government was "flying blind" on the economic effects of climate change.

"If Mr Howard is so terrified about the economic consequences of climate change, why has he waited 11 years to start preparing our economy for that threat?" Mr Swan said yesterday. AAP

day's Newcastle Rotary Club lunch at the Newcastle Club.

But Australia also had a role to play by contributing to research and development, which is the focus of the Energy Centre's work.

Dr Smitham said less than 3 per cent of energy consumed as electricity came from renewable sources, and this would not change overnight.



BAD SYMBOL: Kathy Medhurst yesterday with the graffiti, which protesters say was done by others to discredit them. — Pictures by Ryan Osland

No one owning up to graffiti

By JULIEANNE STRACHAN

SAVE Anvil Hill Mine slogans have been spray painted onto road signs at Muswellbrook and near Yarraman Estate, angering residents.

But protesters from the weekend's demonstration near the site say they are not responsible.

More than 500 demonstrators gathered at Anvil Hill at the weekend to form a human sign of protest, but Greenpeace clean energy campaigner Ben Pearson said that message did not spill over to graffiti.

Hunter Valley resident Kathy Medhurst said protesters were "hypocritical."

"Basically every sign on Wybong Road that belonged to someone else has been graffitied," she said.

"One says 'Stop Anvil Hill' another says 'Mines suck' but most say 'Save Anvil Hill'.

"I think they [the protesters] are hypocrites because they use electricity and electricity is



MESSAGE: Almost all the signs on Wybong Road have been spray painted.

generated by coal. Unless they are living without lights and air-conditioning and heating then it's just hypocritical."

Mr Pearson said the graffiti was crudely done, including wrongly drawn peace symbols, designed to discredit the demonstrators and portray them as "ratbags and ferals".

"The protest is not hypocritical. People can buy green power," he said. "I buy 100 per cent solar energy. I don't use coal energy at my house."

Police are investigating the graffiti.

Chinese plan puts wood on the West

THE Beijing bureaucracy has promised to integrate climate change policy into its industrial and energy sectors while refusing to sacrifice economic growth to satisfy demands to help combat global warming.

China's first national plan on climate change aims for energy saving, agricultural adaptation and forest expansion.

The blueprint says industrial nations bear the most blame for filling the atmosphere with greenhouse gases that are heating the globe.

The unveiling of Beijing's climate action plan yesterday came two days before President Hu Jintao was to attend a meeting of Group of Eight leaders in Germany at which global warming would head the talks.

China, the world's second-largest emitter of greenhouse gases after the United States, is under pressure to spell out targets for taming greenhouse gas emissions.

Leaders of the country of 1.3 billion people said they were tackling greenhouse gas emissions but ensuring economic growth was a top priority.

They hope to cut greenhouse gas emissions via greater use of hydro-power, wind and biomass energy, boosting nuclear power generation and increasing the efficiency of coal-burning power stations. Reuters

Neighbour has a gas problem

INDONESIA is among the world's top three greenhouse gas emitters because of deforestation, and forest fires, a World Bank and British Government report released yesterday showed.

Its emissions from fires and deforestation are five times higher than from its non-forestry sources. Reuters

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