

30th September 2008

The Honourable Kevin Rudd MP
Prime Minister
Parliament House
Canberra ACT 2600

Dear Prime Minister

I have completed my presumptuous task. I enclose the Final Report of the Garnaut Climate Change Review.

On 30 April last year, you and Anna Bligh asked me to undertake this task. You were then Leader of the Opposition in the Australian Parliament and Anna Bligh was acting on behalf of all of the State and Territory Governments of Australia. The Review was commissioned by all of the State Premiers and Territory Chief Ministers.

I began the work at the end of June last year with a Secretariat established in the Victorian Department of Premier and Cabinet. The Commonwealth Government joined the Commission after you became Prime Minister in late 2007. I received support from a joint Commonwealth and State Secretariat from January this year.

I have received strong support from all of the Governments of the Australian Federation. I worked with all of the Premiers and Chief Ministers as I defined my approach to the task in the middle months of 2007.

I thank the former Premier of Victoria, Steve Bracks, and the current Premier, John Brumby for hosting the Secretariat, and allowing some of the most able public servants in Victoria to work with me. I also extend special thanks to your Minister for Climate Change and Water, Penny Wong, for hosting the Commonwealth component of the Secretariat in her Department.

I would like to thank to the Premier of Queensland, Anna Bligh, for her continued close interest in the work of the Review from the first days, and for her assignment of the modelling team of the Queensland Treasury to work with the Review on quantitative analysis; to the Treasurer, Wayne Swan, for allowing the Commonwealth Treasury to work closely and intensively with the Review on quantitative analysis over the past eight months; and to the Australian Bureau of Agricultural and Resource Economics for close professional cooperation since the early days of the Review's work.

We say in the Australian bush, "an old dog for a hard road". It has been a hard road. Climate change is a diabolical policy problem. When viewed through the prisms of familiar areas of economic or international policy, it looks too hard for a satisfactory solution to be possible.

The saving grace is that this is an issue on which a high proportion of Australians are deeply interested and are prepared to commit time to understand its complexity. A high proportion of Australians say that they are prepared to forego some other things that they value to contribute to a solution.

The extraordinary interest of Australians has been evident in the public response to the various draft reports and discussion papers released by the Review, and in my extensive consultations with the Australian community. The strong interest of Australians in climate change has its analogue in many countries. This gives political leaders who wish to find and to implement solutions, a base of support that is not available on other structural reform issues.

In this report, the environmental and economic pressures are treated in consistent ways. The domestic and international pressures are treated in consistent ways. The report involves comprehensive analysis of how one country fits into the management and resolution of a global problem.

I have been transparent in my premises and in the logic that connects the premises to conclusions. I have been transparent about the information on which I have relied and on the premises on which I worked. The parts of my proposals fit together. The parts add up to a whole response to the problem.

I hope that this can lead to discussion of practical approaches to dealing with the global warming problem, in Australia and many countries.

You will note in the Introduction to the Final Report, a summary of the main policy themes and main policy recommendations for Australia.

Prime Minister, I have completed my task with the view that there is a solution to the diabolical problem. It is a global solution, to which Australia has much to contribute, and in the achievement of which Australia can make a difference. It is not an easy solution, for Australia or for the rest of the world. There is a chance, just a chance, that humanity will deal with this matter in a way that future generations judge to be satisfactory. So much is at stake, that it is worth a large effort to take that chance.

Thank you for the invitation to undertake this task.

Yours sincerely,



Professor Ross Garnaut