

## **SUBMISSION TO JOINT SELECT COMMITTEE ON CARBON TAX BILLS**

We maintain that the Carbon Tax Bills fail to be justified on scientific, economic, democratic and international grounds.

**No scientific basis:** There is no scientific justification for the Carbon Tax Bills. They are based on the unproven hypothesis that so-called human-caused greenhouse gases cause dangerous global warming, otherwise known as anthropogenic global warming (AGW). There are no papers in the scientific literature that contain compelling scientific evidence that prove the hypothesis.

As climate change is a natural process that has been going on since earth's beginning, it is disingenuous to attribute it to human causes.

It is deliberately misleading to claim that carbon dioxide (CO<sub>2</sub>) is a pollutant, whereas it is a colourless, odourless gas that is necessary for plant growth.

**IPCC false reporting of human-caused warming:** The 'scientific' (or, to be more exact, the pseudo-scientific) case that is made in support of AGW is essentially political. It is driven by the UN political body, the Intergovernmental Panel on Climate Change (IPCC), which produces reports to influence Conference of Parties meetings, of which Copenhagen was the fifteenth.

The IPCC has misrepresented key scientific findings in these reports in order to promote the political agenda of global warming, for example: the deletion of a key consulting scientific reviewer approved statement, "none of the studies cited above has shown clear evidence that we can attribute the observed climate changes to the specific cause of increases in greenhouse gases... no study to date has positively attributed all or part of the climate change observed to man-made causes" from the final draft of the 1995 Report, and the insertion in its place of strong endorsements of man-made warming.

The climate computer models that the IPCC uses to project alarmist climate outcomes, are invalid, as they fail to represent the complexity of natural climate behaviour. Diagnostic testing of these models by independent scientists, John Christy, Richard Lindzen and others, has confirmed that the models consistently failed. Witness that, contrary to IPCC model projections, there has not been any statistically significant global warming since at least 1998, despite CO<sub>2</sub> emissions continuing to increase.

Given that the IPCC has been studying the subject for over 20 years, it is surprising that the strongest endorsement that the IPCC can give, is the assertion: "Most of the observed increase in globally averaged temperature since the mid-20th century is

very likely due to the observed increase in anthropogenic greenhouse gas concentrations”.

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**Dysfunctional political correctness:** Thanks to the IPCC and climate alarmists such as Al Gore, the media has been misled into promoting human activity as the driver of climate change -- so much so, that it has become politically correct to support that proposition.

Not only have politicians been influenced by this political correctness, but also so have bodies such as the CSIRO, the Bureau of Meteorology and the Australian Academy of Science, along with many science academies around the world. The Australian science journalist, Peter Pockley, reported in 2004 that CSIRO was constraining marine scientists from offering certain advice and telling its climate scientists not to engage in public debate on climate change. Witness the recent forced resignation of CSIRO economist, Dr Clive Spash, for delivering without permission a conference paper that criticised the government's intended emissions trading scheme. That the paper had been accepted for publication in the peer-reviewed international journal *New Political Economy*, and also been tabled in parliament, was no protection for him.

Yet, despite their assertive grandstanding, not one of those allegedly-professional bodies has produced compelling scientific evidence that human activity is causing measurable climate change.

The Government's scientific advisers are aligned with the IPCC for political reasons. They choose not to speak out against AGW, so as not to risk losing their ongoing funding by the Government.

**International anti-AGW observations:** *The Truth About Climate Change* open letter of 8 February 2011 to the US Congress (accessible at <http://www.co2science.org/education/truthalerts/v14/TruthAboutClimateChangeOpenLetter.php>) refers to two recent USA compilations of scientific research, namely [Carbon Dioxide and Earth's Future: Pursuing the Prudent Path](http://www.co2science.org/education/reports/prudentpath/prudentpath.php), accessible at <http://www.co2science.org/education/reports/prudentpath/prudentpath.php> and *Climate Change Reconsidered: The 2009 Report of the Nongovernmental International Panel on Climate Change* (NIPPC) accessible at <http://www.nipccreport.org/reports/2009/2009report.html>, respectively cite 678 and thousands of scientific studies. These provide no real-world evidence (as opposed to theoretical climate model predictions) for global warming-induced increases in the worldwide number and severity of floods; in the global number and severity of droughts; in the number and severity of hurricanes and other storms. Nor do they provide any real-world evidence of Earth's seas inundating coastal lowlands around the globe; increased human mortality; plant and animal extinctions; declining

vegetative productivity; more frequent and deadly coral bleaching or marine life dissolving away in acidified oceans.

John R Christy (US atmospheric scientist, climatologist and IPCC lead author) testified to the US Congress Subcommittee on Energy and Power on 8 March 2011, that extreme weather events are not human-caused; climate-modelled temperature changes do not agree with real world observations; observations indicate the Earth has strong negative feedbacks that mitigate warming impulses; publicised scientist consensus reports overstate their assertions; and the net changes in global surface temperature to emission reduction measures by proposed US actions are so small as to be negligible. His testimony may be accessed at <http://www.skepticalscience.com/docs/Christy.Testimony.pdf>

**No justification for renewables target:** Given that there is no scientific evidence that CO<sub>2</sub> is the driver of global warming, there is no justification for adopting a renewable energy target of 20% by 2020 nor other targets thereafter. (Former prime minister, John Howard, admitted recently that his government had adopted the '20% renewables by 2020' target, because international governments were expected to adopt that target in due course, which now appears to be highly unlikely.) Instead, governments should be adopting policies to be better prepared for coping with future natural climate disasters.

**No economic justification:** Implementation of the Carbon Tax Bills is designed to force the replacement of reliable low-cost coal-fired power with unreliable wind power at about three times the cost and unreliable solar power at about ten times the cost. This necessitates the raising of coal-fired electricity prices so as to lower the cost disadvantage of wind and solar power production, and encourage investment in the latter two technologies.

The implementation of significant numbers of expensive wind or solar power generators in turn requires the installation of expensive backup power to complement them during the extensive periods when they are idle or operating below their respective capacities. It should be noted that the complementary power is expected to be provided by gas turbines, which produce CO<sub>2</sub> emissions comparable to that of coal-fired generators. Besides, the wind turbines and solar panels introduce substantial visual pollution, and in addition, wind turbines generate noise pollution that endangers the health of people living in their vicinity, and solar panel installations become electrocution hazards.

The feeding to public electricity networks of electricity from wind and solar generators, would result in power stability problems for the power supply authorities, thus further adding to their capital and operating costs.

Treasury modelling is understood to have been based on unrealistic assumptions that understate the adverse economic effects of the carbon tax.

The proponents of the Bills have failed to explain how the economy would be better off by their adoption. To start with, the \$23 carbon tax is projected to raise electricity prices by at least 10%, thus raising the operating cost of every business in the nation. This would raise the national inflation rate and reduce the productivity of every business, which is contrary to the Government's stated economic objectives of controlling inflation and improving national productivity respectively.

The nation's cost base would be raised further by the projected ongoing increases in the carbon tax. This is contrary to the national interest, as manufacturers and processors for local and export markets would lose their comparative advantage and be forced to shed labour or close down altogether, while importers would benefit by being able to compete more easily.

The extent of regulatory and administrative systems that are proposed, would reduce economic efficiency.

The carbon tax policy erroneously assumes that any global warming would have negative effects on the economy, whereas higher average temperatures would produce certain benefits, e.g. higher crop yields.

Contrary to the suggestions of the Productivity Commission, the various current 'green schemes' are to continue under the carbon tax policy, which would raise the effective Australian carbon tax rate even more.

Ironically, the proposed compensation system would result in there being little if any reduction of CO<sub>2</sub> emissions. Furthermore, the carbon tax policy proponents have not provided an estimate of the global temperature reduction that would result in say 2020 from implementation of the Carbon Tax Bills. These issues give rise to the question of why such substantial economic restructuring should be undertaken in the first place. In other words, why should Australians be subjected to so much pain for no apparent gain?

**No international justification:** The Copenhagen Conference of Parties demonstrated that AGW was no longer considered to be an issue that required urgent international action. International interest has waned further since then. More people have become aware that there is no scientific evidence to substantiate AGW. They are not willing to pay additional taxes or higher tax-induced prices in order 'to control climate change'. The extension or renewal of the Kyoto Treaty appears unlikely, as fewer developed economies are willing to enact carbon taxes or emission trading schemes.

Therefore, the carbon tax proponents have grossly overstated the threat that Australia would be left behind should it not implement the Carbon Tax Bills. On the other hand, there is now a high risk that Australia would disadvantage itself even more seriously should it proceed to enact the Carbon Tax Bills, which would guarantee that it would be stuck with the highest carbon tax in the world by far.

## **Government is being undemocratic:**

The Government pronounced before the last election that it would not introduce a carbon tax. The breaking of that promise means that it does not have a mandate to enact the Carbon Tax Bills.

The opinion polls are firmly against a carbon tax. There is no international agreement calling for urgent enactment of a carbon tax or emission trading scheme.

The Government has planted poison pills in the carbon tax legislation that would make it very expensive to repeal should the need arise. Such need appears highly likely given that the AGW hypothesis has not been proved.

The allowance of only one week for the public to make submissions on probably the most complex legislation ever tabled, is unreasonable to say the least.

The Government is acting contrary to the national interest to proceed so hastily with passage of the Bills. The Government should be answerable to the electorate, not the Greens.

Accordingly, we urge the withdrawal of the Carbon Tax Bills, or failing that, the postponing of the vote on the Bills until after the next federal election at the earliest.