

Analysis, comments, questions on article by the Hon Craig Emerson, MP

Sunday, December 16th, 2012.

On Saturday, December 8th, 2012 The Weekend Australian newspaper published an article by the Hon Craig Emerson MP entitled *In a Warming World, Pricing Carbon is Best Policy*.

His article is copied and pasted below followed by comments and/or questions on each paragraph of his article. For readers' ease, paragraphs in his article have been numbered.

His article is available at:

<http://www.theaustralian.com.au/national-affairs/opinion/in-a-warming-world-pricing-carbon-is-best-policy/story-e6frgdox-1226531719565>

Craig Emerson's article

OPINION

In a warming world, pricing carbon is best policy

BY: CRAIG EMERSON From: The Australian December 08, 2012 12:00AM

1. CLIMATE change is real. The earth is warming and the outlook is worse than scientists had previously assessed. These are the findings of a set of reports released ahead of a UN climate change conference held in Doha, Qatar, this week.

2. They are not reports prepared by groups committed to the destruction of global capitalism, unless you believe this is the agenda of the World Bank and the World Meteorological Organisation.

3. Global temperatures are already on average 0.8C above pre-industrial levels. The World Bank report finds that human-induced climate change since the 1960s has increased the frequency and intensity of heatwaves.

4. If there was a time when the science of global warming was not settled, then that time has now passed.

5. Scientists had hoped that through concerted action we might be able to limit the increase in the Earth's temperature to 2C above pre-industrial levels. At these elevated levels severe weather events - drought, heatwaves and floods - would be commonplace.

6. But now it appears temperature rises of 4C to 6C by the end of this century are in prospect, and warming of 4C by 2060 is a distinct possibility.

7. As one of the reports puts it, a world of such temperatures would be unrecognisable.

8. This new information reinforces the good sense of Prime Minister Julia Gillard's decision to put a price on carbon.

9. Not only was it right for the environment, it was right for the Australian economy.

10. Australia is playing its part in the global effort to limit greenhouse gas emissions. We are not alone. More than 50 national or sub-national jurisdictions, representing 1.1 billion people, will have priced carbon from next year.

11. Australia has already bedded down its carbon price. And when the fixed-price period ends in 2015, Australia will have a full emissions trading scheme linked into international carbon markets, which will help equalise the Australian price with the international price.

12. Far from being a liability, a well-functioning emissions trading scheme will be an asset for Australia. Business will have the certainty of an established scheme, will be able to access the most cost-effective international abatement and will have made the basic necessary adjustments to their business practices to cut their pollution.

13. In the first three months following the introduction of the carbon price, Whyalla had not been wiped out and in fact is growing. Port Pirie has a promising future. Gladstone is booming, and the Hunter Valley is doing well. The Australian economy grew by 0.5 percentage points during the September quarter, for an annual rate of 3.1 per cent. This is faster than any major advanced country. Productivity is growing at a very strong 3 per cent a year. And since the introduction of the carbon price, 34,000 jobs have been created.

14. That is to say, contrary to the doomsday prophecies of the Coalition, Australia is adjusting to the carbon price pretty well.

15. But if the Coalition were elected, Australian business would be subjected to a protracted period of uncertainty. If Tony Abbott were to make good on his promise to scrap the emissions trading scheme and replace it with his direct action plan, Australia would be left without a price on carbon and with an expensive, ineffective scheme that the Grattan Institute has estimated would cost taxpayers \$100 billion to meet bipartisan

emission reduction targets.

16. This would run against a growing global trend of countries putting a price on carbon to deal with an international consensus that urgent action must be taken to limit emissions. As other countries moved forward with internationally linked market-based emissions trading schemes, an Abbott-led government would be moving backwards decades to taxpayer-funded central planning.

17. Moreover, an Abbott government would either blow the budget or reduce the age pension and family payments, as well as reversing the tax reforms funded by the carbon pricing scheme. The Gillard government's trebling of the tax-free threshold from \$6000 to \$18,200 has taken about one million Australians out of the income tax system and improved work incentives for young people and part-time adult workers. And the instant write-off of assets valued at up to \$6500 provides valuable incentives for small businesses to increase their productivity by investing in the most modern machinery and equipment.

18. Scrapping emissions trading and replacing it with the Coalition's direct action scheme would be as reckless and misguided as re-erecting tariff walls and asking Treasury officials every morning to set the value of the Australian dollar.

19. For the sake of the planet, business stability and the competitiveness of the Australian economy in a carbon-constrained world, the right policy is the Gillard government's emissions trading scheme. Scrapping it and replacing it with an expensive, inefficient and ineffective centrally planned scheme has no redeeming features.

*Craig Emerson is the **Minister for Trade and Competitiveness**.*

Notes providing analysis, comment and questions

1. Earth's climate is continually changing. **The Earth is not warming. Appendix 4.** Atmospheric temperatures have been flat since 1998. Even ground-based temperatures are admitted by Britain's Met Office to have been flat since January 1997. Rural temperatures in Australia and America have shown no net increase in the last 120 years. The reports by the World Bank and the World Meteorological Office (WMO) contain no empirical scientific evidence and no logical scientific reasoning that HUMAN CO₂ caused global warming that ended 15 years ago. Such reports usually appear on cue before supposedly important UN climate conferences. Despite the fear and media publicity they fomented Doha was a failure. The core point though is that contrary to Craig Emerson's falsity, since the start of industrialisation there have been entirely natural cyclic warming, cooling, warming, cooling, warming periods and now for periods

temperature stasis. **Contrary to Craig Emerson's core premise, ours is not a warming world.**

2. **What is the worth of this statement? See Appendix 7 for comments about the WMO's role in corrupting climate science and spreading unfounded climate alarm.**

The global climate scam is not about the environment or humanity. It is only about money and control. See Appendix 14. Note comment from the Bank of Italy governor who told reporters, quote: "*The World Bank has gone back to being in charge of climate change,*" and "*For a certain period....., it had stopped*".

<http://www.marketoracle.co.uk/Article37623.html>

Note discussion of financial beneficiaries and controllers of desired CO₂ trading. \$100 TRILLION is a lot of money. **Why is Craig Emerson failing to identify that neither report contains any evidence that HUMAN CO₂ caused warming?** Why is he implying endorsement of the reports? Why did the UN's Copenhagen conference focus on preventing **two** degrees of warming yet now before the Doha conference the World Bank ups the ante by 100% to **four** degrees and the WMO warns of a further 100% increase of **six** degrees? All of this is claimed with no empirical scientific evidence. Why? Why is Craig Emerson falling for this? Why is Craig Emerson endorsing and spreading these misrepresentations? Craig Emerson is currently being asked for empirical scientific evidence that HUMAN CO₂ caused Earth's latest modest cyclic global atmospheric warming that ended in 1998, the year Craig Emerson entered federal parliament.

3. Please see Appendix 4. Excluding the measured and statistically significant Urban Heat Island Effect, global temperatures are merely 0.4 degrees warmer than 160 years ago. Rural temperatures in Australia and America have shown no net increase in the last 120 years, just natural cyclic warming, cooling, warming, cooling, warming and stasis. Appendix 4 reveals the corruption of temperature databases that are the basis of claims and projections from the World Bank and WMO. There is no empirical scientific evidence of any change in trend of heatwaves or other so-called extreme weather. Even the UN IPCC now admits that it has no scientific evidence of any changes. Why is Craig Emerson spreading misrepresentations? Has he done his due diligence?

4. In that Craig Emerson's fourth paragraph implies human causation it is completely false. There is no empirical scientific evidence and no logical scientific reasoning that HUMAN CO₂ caused warming. The ultimate arbiter of science is empirical scientific evidence. His claim contradicts empirical scientific evidence. His implied claim is false. Why? Can Craig Emerson identify specifically within the World Bank report or the WMO report any empirical scientific evidence and any logical scientific reasoning that HUMAN CO₂ is warming the planet? Can he identify specifically any such evidence and reasoning that warming from any cause will be catastrophic and needs to be averted?

5. Yet more false and unscientific statements from Craig Emerson. Why does he repeatedly contradict empirical scientific evidence? This paragraph reveals another tactic commonly used by those advocating cutting human CO₂ production: claims of future changes spoken as if definite. Yet, as always, such claims are false and there is no empirical scientific evidence that such changes will occur in the future. There is plentiful

evidence such changes are not occurring and will not occur. On what empirical scientific evidence is Craig Emerson making his false claims?

6. Where is the empirical scientific evidence and logical scientific reasoning for this ridiculous, unfounded and unscientific statement contradicting empirical scientific evidence?

7. At last, a statement that is plausibly true, yet for the wrong reasons. Scientists of the real world using empirical scientific evidence reveal that in Earth's past genuine warm periods life on Earth thrived. The biosphere flourishes in warmer periods. Why is Craig Emerson using this to foment unfounded fear?

8. Of what new information is Craig Emerson referring? It may be new statements from the World Bank and WMO, yet there is no new empirical scientific evidence. Is Craig Emerson trying to build a case for the deep pit Julia Gillard has dug for the ALP?

9. Both statements are false. They are nonsense. Please refer to Appendices 16 and 17. Arguably the single greatest benefactor to the natural environment since the mid-nineteenth century has been humanity's technological and scientific development made possible largely by the use of high-energy-density fuels containing carbon. Craig Emerson's statement is nonsensical. Craig Emerson is not a scientist. Nor does he understand the scientific method. Regardless of whether HUMAN CO₂ is, or is not, a cause of climate change Australia's CO₂ tax is harmful to the environment. His website touts that he is, or was, an economist. Diminishing Australia's economic success does harm to other nations. Economic success across nations is not a zero sum game. The CO₂ tax is an unproductive tax whose justification contradicts empirical scientific evidence and contradicts known relationships in economic efficiency. How can it be economically beneficial? How is adding yet more dead bureaucracy beneficial to the economy? It is not beneficial economically or environmentally. On both counts it's harmful.

10. How can this be true? The Rudd-Gillard governments encouraged increased exports of Australian coal for combustion internationally. The targeted 5% reduction in Australia's annual CO₂ production is more than offset by just the increase in China's CO₂ production. Why does Craig Emerson not mention those states and nations withdrawing from CO₂ *trading* schemes? Why does he not discuss those nations refusing to enter such schemes? Why does he not discuss major nations refusing to renew the Kyoto Protocol? Why does he not mention those banning CO₂ *trading* or those banning UN Agenda 21? Using Craig Emerson's figures, almost six (6) billion people will not be living under national or sub-national jurisdictions taxing or *trading* CO₂.

11. How can the CO₂ tax be bedded down as Craig Emerson claims when it is designed to be greatly increased in future, without compensation? It is designed as an upward-ratcheting open-ended tax. Julia Gillard herself has said that the tax is designed to hurt people to change people's behaviour. It seems Australia's Minister for Trade and Competitiveness is supporting the ceding of Australia's economic sovereignty to foreign

control. Why? Is he aware that the market for CO₂ credits collapsed in America and is collapsing in Europe and is virtually non-existent elsewhere? How does Craig Emerson explain that the CO₂ tax and *trading* scheme were able to be introduced only by Julia Gillard and Wayne Swan both breaching their clear promise made to the Australian people before the 2010 election? Is he aware that his government has no mandate for such a scheme? Except for Julia Gillard's promise before the 2010 election Craig Emerson would likely not now be a minister?

12. Is Craig Emerson being deliberately deceptive or ignorant? He may claim to economic intellectualism yet it appears that his lack of understanding of the scientific method prevented him and his political colleagues from conducting scientific due diligence. He seems to not know fundamental incisive questions to ask of scientists before advocating policy. If government policy reflected the certainty of empirical scientific evidence instead of political survival at the mercy of the Greens Party, there would never have been any uncertainty because there has never been any scientific or environmental or humanitarian need for a CO₂ tax. The only uncertainty is due to raising the topic of a CO₂ tax and *trading* scheme. How is the imposition of an artificial quota described as a market based and economically effective scheme? It is not. On what basis does Craig Emerson imply CO₂ is a pollutant? How does he conclude that CO₂ requires abatement? Did he or his former partner ever sip carbonated water, soft drinks, beer or champagne? If so, were they aware that they were ingesting pure CO₂ into their stomach and into their lungs? Did it do them any harm? Of course not. CO₂ is essential for all complex life on Earth. It is produced overwhelmingly by Nature. Nature alone determines and controls global atmospheric CO₂ levels regardless of human activity. That is revealed in CO₂ measurements cited and relied upon by the UN IPCC.

13. Most mugs understand that the CO₂ tax has been offset by compensation in its first year as a way of bribing support. Is Craig Emerson deliberately misleading readers and Australians by avoiding to mention that the CO₂ tax and *trading* schemes are both upward-ratcheting and open-ended? They are designed to rise in future—with no compensation for future increases. Why does he refer to Australia's economy as booming when apart from the mining sector driven by overseas demand, our economy is suffering? What will happen to the Australian economy when Australian coal exports are hammered by the CO₂ tax and *trading* schemes at targeted future far higher rates? Julia Gillard herself said that such taxes and *trading* schemes are designed to hurt people economically as disincentives to electricity use. What is it about that that Craig Emerson cannot understand? Why does Craig Emerson refuse to use the word *tax* in relation to CO₂? Already, as a result of the CO₂ tax electricity price rises are accelerating. Is he not aware that electricity is used throughout all sectors of our economy? Why is he dwelling on the initial three months and first year when the tax is offset by the politically necessary bribe/compensation? Why is he misleading by omission?

14. Why is he dwelling on the initial three months and first year when the tax is offset by the politically necessary bribe/compensation? As implied in notes on paragraph 13, why is he misleading by omission?

15. Being without a CO₂ tax and *trading* scheme would be highly beneficial and return parliament to integrity consistent with empirical scientific evidence. The Coalition's *Direct Action* scheme is not needed and cannot be justified. Drawing attention to the Coalition's unfounded and dishonest plan does not enhance the dishonest ALP-Greens tax and *trading* scheme introduced by relying on a massive lie and deceit. It merely *wedges* Coalition policy and as such insults the intelligence of Australian voters. We are not dumb and can see through Craig Emerson's wily ways.

16. All the world's major producers of CO₂ are refusing to renew the Kyoto Protocol: China, India, Russia, Brazil, Canada, Japan, ... America has still not signed Kyoto. European nations give special dispensation to key industries to not be effected by the EU's low CO₂ *price*. As the supposed so-called yet false *science* underpinning the government's CO₂ tax and *trading* scheme continues to unravel the Coalition's plan will give a future Coalition government the ability to easily and quietly ditch the ALP-Greens tax and *trading* scheme and ditch their own *Direct Action* scheme.

17. It's true that the huge debt burden dumped on Australians will provide a challenge to any future government. The ALP-Greens alliance has ensured that debt is astoundingly higher than necessary. As the proportion of people dependent on government either for employment or handouts continues climbing and as more people are removed from the tax base and as 90% of Australia's economy is already owned by foreign corporations paying no or little tax in Australia (Appendix 14 and 16) the future circumstances facing family and single taxpayers are horrendous. Thus the future for Australia is looming as horrendous. Why does economist Craig Emerson fail to discuss alarming trends within each side of the ledger: revenue and expenditure? Is it because he is aware that such trends are frightening? Or is he ignorant of such trends?

18. Is Craig Emerson using a red herring to divert attention from core issues? Is Craig Emerson blatantly trying to wedge the Coalition and its *Direct Action* policy? Coalition strategists would likely easily develop a plan countering this attempted wedge and turning it against Labor.

19. Canadian environmentalist and author Lawrence Solomon says, quote: "*But Kyoto is not an insurance policy. Just the opposite, it is the single greatest threat today to the global environment, because it makes carbon into currency. Carbon is the element upon which all living things are built. With carbon a kind of currency—which is what all carbon taxes and carbon trading and similar schemes do—all ecosystems suddenly have a commercial value that makes them subject to manipulation for gain.*" Neither the world nor Australia is currently carbon-constrained. There is no empirical scientific evidence justifying action to artificially constrain use of fuels containing carbon. Empirical evidence from the real-world reveals that imposing a CO₂ tax or *trading* scheme will hurt the economy and the natural environment. By signing up to the ALP-Greens tax and *trading* scheme, Australia faces UN control of our resources, energy, finances, lifestyles, food and personal movement coupled with punitive social restrictions and removal of essential freedoms through vast, devastating regulatory regimes destroying Australia's national sovereignty. Is Craig Emerson aware of UN Agenda 21's global campaign and the serious restrictions to freedom to which he and his

party are committing Australia? Does Craig Emerson not see his advocacy as treasonous? The UN's global governance is a far more devastatingly expensive, inefficient and ineffective centrally planned scheme. I agree that the Liberal plan is not viable. It is though far preferable to the ALP-Greens version of central control and planning. Or, given the scale and significance of his many unfounded false statements, is Craig Emerson suggesting that a centrally controlled and planned on a global level as proposed by UN Agenda 21 is better?

Two final questions:

- How does Craig Emerson, as an economist, justify a fixed and unscientific unfounded quota artificially cutting and capping CO₂ production as market-based?
- Given his statements above, how can Craig Emerson adequately fulfil his responsibilities as Minister for Competitiveness?