

Taxman warming to a new opportunity

THE WORLD has not warmed since 1998 and no "scientific" forecasts of global warming exist, say some experts.

But the Government's "climate change" policy to fight supposed global warming could cost electricity users \$800 million a year, potentially up to \$1.8 billion, about half of that a windfall gain for Crown coffers.

A damning academic paper this week from New Zealand forecasting researcher Kesten Green, of Monash University, Melbourne, and Scott Armstrong, of Pennsylvania University in the United States, calls global warming predictions a "poor basis for public policy".

Climate scientists and computer modellers predicting warming, cited in a report by the United Nations Intergovernmental Panel on Climate Change, used processes that "violated key forecasting principles" in 72 of 89 cases.

"Their forecasts are invalid," the Green/Armstrong paper says. "There is no more reason to expect the Earth to get warmer than there is to expect it to get cooler."

Another Australian researcher, R M Carter, says surface thermometer readings, though flawed, have been steady since 1998. Some say rising city temperatures are because more people and buildings are acting as an urban heat sink.

The US had its warmest year on record in 1934, 10 years after a new ice age was predicted. In 1974 some scientists said a "major climate cooling" was inevitable.

A carbon tax would also create a perverse incentive for power companies to let New Zealand's most expensive power station, Huntly, set the price for all others. They would then get carbon tax windfall profits, even if they are making electricity with renewable "green" hydro power.

Of the \$800 million extra cost, power expert Bryan Leyland estimates \$200 million would go in carbon tax and \$600 million in windfall profits. Of that, \$400 million would go to Government through the likes of Meridian Energy and Mighty River Power, and in taxes. Contact Energy shareholders would gain too.

That assumes a \$20 a tonne carbon tax, but \$45 a tonne could make widespread wind power feasible, adding \$1.8 billion to the national power bill. He says that would be "madness", pushing industry overseas.

Why do it? Perhaps Labour and National cannot ridicule it with the Greens polling 6 per cent of the vote.