

# Senate Select Committee

## Submission on Fuel and Energy

1. **Preamble.**

If we do not understand exactly what created the problems we cannot solve them.

2. To understand today's fuel crisis we need to identify causative factors to see how many were deliberately created and how many have substance. To do this I follow history.

3. I submit the following without prejudice or defamation intent in the interest and need for thorough investigation into this matter without fear nor favor quoting from records, historical knowledge, published reports, acts of government, press articles, associated matters, documents and providing background information.

4. **History**

Farmers first found oil when drilling for water in the 1930s between Woodside and Lakes Entrance in Victoria and were prohibited from developing it, they put it through cream separators and used it in their engines. That was the origin of the Woodside Lakes Entrance Oil Company (Woodside Oil NL).

5. **Oil Parity Pricing**

There must be a full and proper independent investigation into oil parity pricing, for this is a serious breach of competition to the detriment of every Australian citizen.

In 1976 John Howard when Treasurer, introduced Oil Parity Pricing allowing Oil Co's to artificially jack up prices as a deceitful contrived necessity, milking billions from the people even though Australian production costs remained at \$3 a barrel. Oil Co's were given permission to charge overseas prices for all the oil found in Australia, and make massive profits under the guise that it encouraged them to search for oil here. Howard's argument for its introduction was "*..... oil companies needed greater financial incentive to search for oil*". What was deceitfully kept hidden from the people was that about 70 % of all oil exploration expenditures were reclaimed under 'Oil Search Subsidies' in direct refunds of taxpayer's money and more in taxation breaks. So basically it would have cost them little to search for oil. Thus there was no legitimate reason for introducing parity pricing other than to let Oil Co's plunder our nation, so what did Howard get out of it?

6. During the arguments on 'oil parity-pricing'; reporters of some pro-government (Liberal) newspapers told me they were not permitted to print opposing argument. So there was never any realistic opposition, except in Melbourne in 'The Age' which was independent, their exposé on parity pricing apparently panicked Howard into blocking the Prices Surveillance Authority from investigating.

7. When he realised the Prices Surveillance Authority was on to him over this this financial rort and abuse of the Australian people, on 1 August 1988 Howard removed their authority to investigate. What was behind his panic reaction to prevent investigation? What was he hiding?

8. **The ACC currently advise: This legislative ban stands today preventing any investigation into oil parity pricing.**

9. Prior to this we benefited from lower fuel prices; the only change that occurred was the Oil Co's now made billions in legalized robbery from the people. So why would a government deliberately allow oil companies to plunder its citizens in such a blatantly shocking manner? And why is it allowed it to continue?

10. I was present with other people in the Victorian City of Traralgon at a restaurant in Franklin Street, when the late **Rt Hon Jack McEwan GCMG MHR Deputy PM**, told everyone that "*.... the Oil Companies are major financiers of the Liberal Party*", he explained that 'Oil Search Subsidies' refunded (from memory) about 70% of expenditure and they received substantial tax breaks, thus they had minimal expenditure for massive returns, clearly Howard did not want this exposed.

Howard financially disadvantaged every family for the next 32 years; apparently payback for years of Oil Co's financial backing for the Liberals in the 60's and to guarantee it into the future? Reasonable profits for any company are acceptable, but massive billion profits clearly show that parity-pricing is nothing more than buying Oil Co's support. We need the truth of this matter out in the open.

11. People today grew up accepting oil parity-pricing as the norm and very few current politicians understand it or even have an interest as it is easier to accept the status quo; when it is nothing more than evil legalised robbery of the Australian people based on a cunningly contrived necessity of untruth.

### **Fuel Taxes**

12. On 15 August 1978, Malcolm Fraser's Treasurer John Howard introduced petrol taxes stating: "Since the [major oil producing] countries quadrupled the price of crude oil in 1973-74, Australians have continued to enjoy artificially low prices for [Australian-produced] crude oil. While the rest of the world was facing up to the inescapable fact the days of cheap energy were over, Australians were continuing to pay less than half the world price for Australian oil. In the light of the budgetary situation and the desirability of improving energy use, the government has decided all Australian-produced crude oil should, from tomorrow, be priced to refineries at import parity levels. This will mean [motorists] will in future pay [petrol and diesel] prices based on world oil prices..."

13. Typical political bunkum that should never have applied to locally produced oil; this was a 'criminal rort' against the people of Australia.

### **Paul Keating Indexed Fuel Taxes**

Five years later PM Bob Hawke's Treasurer Paul Keating indexed petrol taxes: on budget night, 23 August 1983, announcing a two-step increase in "traditional excises": "From tonight, there will be a rise of 1½ cents a litre in the excise on motor spirit and distillate. The rebate on diesel fuel used off-road by [various] industries, and by households, hospitals, nursing and aged-person homes will not be increased ... as a second step towards countering **declining revenues**\*, the government is introducing, from tonight, a system of six-monthly indexation of traditional excise rates..."

15. **\*The declining revenues** are the result of selling of our income producing assets and excessive unnecessary spending; excessive grants over the full spectrum many useless – like the Toyota fiasco giving away millions to the worlds wealthiest car maker to build 'greener' vehicles when the industry already knew of Toyota's commitment here; decades of politically propping up industries that were doomed to fail; \$2,748 million given away in overseas aid of which some goes to the military to further suppress their people; cheap loans given to Reserve Bank employees that cost over \$500,00 annually; the publicised \$6B Treasury loss in currency trading by the bureaucracy (no one was sacked yet if a pensioner makes a small mistake with Centrelink they have to make repayments); we give excessive aid to counties that openly teach "Australian's are the white trash of Asia"; and very questionable useless issue grants for arts and study of useless items. Howard promised \$1B of taxpayer's money to pay for Indonesia's ongoing stupidity of destroying their forests, we pay to re-plant the forests they destroyed – and they are still destroying them – this would be better spent on timber plantations in Australia.
16. We need legislation that assets owned by the people can only be sold by approval of the people at referendum, selling off big income earners is gross stupidity and in contravention of being elected to act in the best interests of the people; once sold the lost income has to made up by higher taxes. (Commonwealth Bank, Telstra, Airports) Howard sold much of our gold reserves and we are now at the mercy of the World Bank who can devalue our dollar whenever they choose – we are captive to them, as we do not have enough gold to back our currency. Governments must stop wasting taxpayer money on unnecessary expenditures.
17. The Commonwealth Auditor General's report (CM) August 2001 showed "MP's spent \$354 M of taxpayer's money on perks". We spent \$500 M spent on the first gun buy back and \$118 M spent of the handgun buy back = \$618 million and the government could not name one criminal that handed in their guns, today black market guns are readily available, one recent enquiry resulted in an offer of 8 from criminal elements.

18. Courier Mail 13 May 2006 page 4; Mr Howard's 10-day trip to the US, Britain and Iraq last July, which coincided with the London bombings, cost more than \$600,000. The accommodation bill alone was \$250,000.00, since being elected in 1996 Mr Howard has spent more than \$14 million on overseas travel – while pensioner struggle to pay for electricity and forego dental and health needs.
19. The 'Sunday Mail' 2 February 2003 page 13, "How we paid \$230m to read about MP's" by Gerrard McManus. "Federal MP's spent up to \$20 million of taxpayer's money on political pamphlets and mailouts leading up to the 2001 elections".
20. The Melbourne 'Herald Sun' 24 July 2003 "one hundred and fifty federal MP's share \$30 million a year to blast voters with political 'junk mail'". "Under government regulations slipped through this week by the Howard Government, the annual printing allowance for each MP has jumped \$25,000 to \$150,000".
21. 'Sunrise on 7' 16 October 2003, the Reserve Bank has \$40,000 worth of wine in their cellar: \$400m wasted on the unnecessary Xmas Island detention centre: Tim Fischer appointed ambassador to the Vatican wasting more, the Vatican is not a major trading partners and contributes nothing to our economy: ..... and on it goes ad infinitum. We are ashamed.
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22. On March 1 2002, Howard abandoned indexation but retained the fuel tax he'd introduced 23 years earlier.
23. **The ACCC**  
**Their current advice is they are still prohibited by law from investigating parity pricing.** Why? What is being hidden? They only reason for such prevention is to hide the truth from the people. If investigation finds the Oil Co's were major financial backers of the Liberal Party then they have committed fraud, they limitations on fraud.
24. The Prices Surveillance Authority & ACCC being prohibited by law from conducting any investigation gave immunity to Oil Co's from being exposed for any fraudulent activity and rorts against the Australian people, this must be corrected immediately and oil companies subjected to full investigation by the ACCC.
25. We have a seriously perverted democracy when a government deliberately disadvantages its citizens to the massive financial benefit of overseas oil companies.
- For years when overseas oil prices went up, immediately the pump prices went up with no government control over the bulk storage purchased at the old price and still being consumed; when the price went down the pump price was not reduced until the stored reserves were used. So why are we exporting our oil and not reaping the lower cost benefits to the Australian people by compulsory usage here?
26. Legislation should ensure Australian oil be the priority usage here for diesel over imported fuel and any percentage only of imported fuel be added above the cost of Australian crude oil. We currently produce our oil at under \$10 per barrel and buy Organisation of Oil Exporters and Producers (OPEC) oil it appears not at the OPEC wellhead price per barrel but at a price set by 'The London International Petroleum Exchange' (IPE) and influenced by trading of "paper oil" on futures markets. The press reported on 1 July 2008 that the price of oil has reached \$143 a barrel but whose price is it: it is reported the long term contract wellhead price is under \$4 a barrel, what is the OPEC price, the IPE price and the futures market price? How much does BP, Royal Dutch Shell, Chevron, Conoco Phillips and Exxon Mobil add on top? The government has an irrefutable obligation to make these figures known to the Australian people.
27. The Australian government needs to start a worldwide push to have 'futures trading' banned and the IPE bypassed with government-to-government oil contracts. There is no reason why the Government cannot negotiate directly with oil producing countries to pay wellhead prices – something they have never investigated.
28. For the government to publicize "The ACCC currently has an informal monitoring role regarding petrol, diesel and automotive LPG prices" and "The ACCC currently has no power to regulate wholesale or retail

petrol prices in Australia”. Shows they are well aware of the parity pricing rort and its heavy negative impact on every citizen, and are doing nothing about the crux of the problem, just PR polish around the edges so no one will look too deeply at the real causative issues. Australia needs more than a petty “informal monitoring role”, we need full control and power to regulate; over our nations fuel supplies.

29. **Previous reported figures** stated we exported Australian crude oil and imported OPEC crude oil, what evidence is there these figures are correct and not fraudulently contrived figures where no oil actually leaves Australia? At one point the figures given were, we export 523,000 barrels a day and import 530,000 barrels a day – a net import of 7,000 barrels a day – about what we need to import in heavy crude for our lubrication oil and greases. On those figures no imported oil is used for fuel?
30. **Current Imports** (SBS Insight) show we import crude from Vietnam, New Guinea, Malaysia and a small amount of Arab oil, so what are these wellhead prices compared to what we actually pay? No other imported commodity prices fluctuate like fuel prices do, clear evidence this is contrived. It is reported we only import around 15% of the petrol we consume, is this refined petrol or crude to be refined? Another report said both ‘BP’ and ‘Freedom’ diesel is imported from Japan?
31. **Algerian Energy Minister and OPEC President Chakib Khelil** has warned that crude oil may soon hit US\$200 per barrel—\$80 above the level reached on April 28th. (According to the Arab News of May 2nd, Deutsche Bank's chief energy economist, Adam Sieminski is saying it could hit \$250.)
32. **Khelil** repudiated calls by U.S. and European leaders for OPEC to pump more oil from the ground, to “ease prices”, saying that the weak dollar and global political insecurity were to blame for the rising oil prices. A dollar fall by one cent alone accounts for an increase of the barrel price by four dollars, Khelil said. (Thus futures trading has a massive price effect)
33. **Khelil** is not shifting blame. U.S. physical economist, Lyndon LaRouche recently observed that oil producers such as the Saudis, on long-term supply contracts, get around \$3 per barrel for their oil at the wellhead. The oil companies (primarily BP, Royal Dutch Shell, Chevron, Conoco Phillips and Exxon Mobil) take it from there.
34. **The London International Petroleum Exchange (IPE)** controls the price of 60% of world oil, by controlling the price of Brent Crude oil. Huge masses of “paper oil” traded on futures markets determine the price of the far smaller volumes of real oil. The ratio of paper to real barrels is over 500:1.
35. **According to economics chief, John Hoefle** (EIR, May 2, 2008): “With the oil hoaxes of the 1970s, the spot market was created, which, in turn, created a huge pool of dollars centred in the London-based international oil cartel. Through this mechanism, the U.S. government essentially lost control of the dollar, which became a weapon for a speculative assault on the U.S.A. Today, the market price for oil is not set by OPEC, but by the financial markets, which take an increasing cut of the money people pay for gasoline and diesel fuel.”
36. In an earlier article, Hoefle stated that, “Sharp jumps in the price of oil could be considered indicators of the state of the bubble. When liquidity is badly needed, the price of oil is manipulated sharply upward, providing an influx of cash to the financial system. This functions as a sort of hidden tax, taking money from the public to bail out the bankers.” (Banksters)
37. **The Fuel Tax Rort by Government**  
Recent press reports say over \$10b in GST charges have been taken on fuel, the excise duty is applied to the fuel price then on that figure is charged GST, that is illegal for you cannot legally tax a tax of no further process contribution: the GST should only be applied to the figure without the excise? The illegality of taxing a tax demands a High Court ruling.
38. Now we have the Prime Minister’s statement that he can’t do anything about fuel prices; there is a great deal he can do about fuel prices as we outline hereunder. History shows there is a lot the PM can do about fuel prices and we can identify many, why is he stating the contrary? Is there a big issue of Oil Co’s

fraud over parity pricing that he is covering, that politicians fear their financial leverage over government and political party?

39. **Oil Reserves**

Seventy five percent (75%) of the world's sedimentary basins are unexplored.

40. **In Western Siberia** near Tomsk in the swamplands, an area bigger than the Amazon-basin that is only accessible by vehicles when frozen (-43'), one oil well has already been functioning for some time; just recently drilling has found an estimated reserve of over one billion barrels. This massive area which is only just being explored is expected to produce massive oil reserves that will rival the Arab countries.

41. **Martin Ferguson, Australia's new Minister for Resources and Energy**, admitted to the ABC's Insiders program on April 27 2008 that the supply of oil doesn't determine the price. After bragging that Australia's newly expanded sea boundaries meant a potential boom in oil supply, he confessed it wouldn't bring down prices: "No, you've got to understand that the price of oil in Australia, just like the price we sell our iron ore, uranium, coal and LNG is set by the international market." (*Through lack of government control*)

42. **Commonwealth Oil Refinery**

Now the reason for the disposal of the 'Commonwealth Oil Refinery' (COR) owned by the Australian Taxpayers – and not the government, that provided cheap fuel supplies to Australia for decades and set the pricing standard that oversees Oil Co's had to compete with becomes indelibly clear – a Liberal Government sold it to British Petroleum as reported for one eighth of its true book value. Who got secret deals on the sale of COR to BP? Why did police refuse to investigate substantial evidence? Even today the AFP have advised in writing they will not investigate a matter if you are a third person i.e. not part of the event or a victim (Thus the "be aware but not alarmed" programme is of no value as they are not obliged to investigate information from a third party irrespective of its contents or seriousness.)

43. It must become illegal for governments to sell assets owned by the Australian Taxpayers without referendum authority and proper valuation. Had we still owned the COR processing Australian crude and buying overseas oil directly from the producer at wellhead prices oil prices would be a fraction of what they are today. (*lack of future planning*)

44. **We must have national reserves for food production and emergencies.** We cannot rely on foreign multinational Oil Co's to provide defence fuel in times of crisis; many did double-deals with the Nazis during WW2. Few of today's politicians remember the extreme difficulty we had trying to get fuel for agriculture, food production and industry after WW2, with food rationing; the multinational Oil Co's were not interested in Australia as there were greater profits in Europe. The intervention of the British Government through British Petroleum (BP) was what saved Australia – and it will happen again. The British Government had a vested interest to ensure our fuel supplies as our products fed and clothed them; they were the biggest buyer of our exports. In desperation the then Australian Government said "It must never happen again", and established the Commonwealth Oil Refinery (COR) to provide reliable fuel supplies at fair prices.

45. We need to re-establish a government owned national oil refinery or enter into joint venture with an existing one otherwise we are going to suffer massive unnecessary pricing hikes and supply shortages in the future that will damage our defence capability and cripple our economy in the future. Today's problems are out of hand due to previous government's inaction and administrative inability to look ahead. Who in government went to the various oil producing countries to negotiate supply at wellhead prices? Who in government said there is nothing we can do about the oil price problems? We are talking about the future of Australia here not just some puny political issue, if politicians do not have the nous and ability to tackle this issue and resolve it to our benefit then they had better co-opt others into the system who can.

46. Only a return to long-term, government-to-government supply contracts will stop the hyperinflationary crisis that is gouging people at the petrol pump.

47. **Fuel Tax**  
Prior to introducing fuel taxes to prop up fiscally incompetent wasteful governments, there were sufficient tax revenues to run the country. The need for an easy quick fix tax on fuel was to cover financial waste, now it's being transferred to carbon taxes, a full review of taxation and removal of all nonessential government expenditures would be a good start. What does the government give in return for carbon tax that will be of benefit other than the unproven theory that we on our own will reduce global warming?
48. It is time to remove fuel tax and legislate to allow the Prices Surveillance Authority and ACCC to fully investigate all aspects and the history of parity pricing; to negotiate government-to-government supply contracts for crude oil and be responsible for the delivery to Australia and supply to refineries here, only then will there be realistic fuel pricing. The problem of incompetent government is highlighted in that it has become dependant on the fuel tax rort and gone off merrily spending taxpayers money on unnecessary expenditure – the government needs to take a whole new approach to expenditure – the same one used by taxpayers – if it is not absolutely essential don't spend money – that will be a massive shock to political thinking.
49. **Diesel** costs one-third of the cost of petrol to produce being a waste product in refining unleaded petrol, using Australian light crude costs even less as our crude oil is diesel grade that only needs filtering; so why haven't the government taken steps to reduce diesel prices that our nation relies on for food production and delivery? The reason diesel is cheaper in Europe is because of our previous government's incompetence and in selling its people's needs to the Oil Co's who use the high cost of diesel to subsidise ULP prices. European Governments have a deep understanding of the need for low diesel prices for food production that makes our government look extremely naïve; they have gone through wars, disease and starvation and treat the nation's food producing farmers with highest respect. With our ongoing drought, rising operating costs, unnecessary government fees-charges-rates and now fuel prices, in a few decades there may be a lot of very hungry people and riots in Australia.
50. **Governments have deliberately failed to sort out this artificially contrived fuel racket. Australians have lost faith in Oil Co's and the government's ability to be honest and act in the best interest of our nation**
51. It is time to stop mass exportation of our nation's fuel reserves and gas with no benefit to the people; we gave away valuable oil reserves to East Timor. We have defence machinery that must at all times have sufficient reserves to defend our nation in the future, if we run out of fuel a flotilla of sailing boats from Indonesia would be difficult to repel – it is time to look at the future needs of our grandchildren. Will our future Navy be steam powered by coal with no aircraft? What energy will your grandchildren use, you hope someone will event something – but what if they don't? Is your attitude 'I'm OK and to hell with future generations' politicians seem to have forgotten government is not just about salary and trappings of office, its about preparing the path into the future, so there will be a satisfactory future for our grandchildren, if you continue to sell out their national assets and fuel reserves to raise funds because of your incompetent governance—what is left for them?
52. We should inspect all the oil Wells that were capped as unproductive, normal procedure is to pull-up the expensive bore casing if the Well is useless, not cap them, what did these Wells actually find? No government Inspector was present when they were drilled, so no actual data is known. Remember Oil Co's are immune from investigation by the 'Prices Surveillance Authority' and 'ACCC'.
53. **Higher Fuel Prices**  
Rural people already in dire difficulties will be seriously disadvantaged and this is going to result in much of rural Australian being abandoned due to flow-on multiplier effect, several have told me they are moving to the city where they can afford to get their children to school, where they can find/afford to travel to a job, doctors and go shopping. Living costs are beyond the ability of many to sustain reasonable lifestyle, the necessities of survival will require theft or moving to the cities; they cannot even maintain the traditional vegetable garden and family orchard due to drought.
54. **Farmers** only just making ends meet have said 'times-up', we cannot afford to continue, we cannot even use the property as a rural home as the rates, compulsory weed and other requirements are now cost

prohibitive. Many properties are not attractive to buyers for the same reasons – why buy a liability? When rural properties are unproductive they still accrue unaffordable full council rates. National legislation to override states must come into force to freeze and rescind all government fees-charges-rates during declared disaster areas of drought-flood-fire-quarantine.

55. **Crushed Rock Increases Due To Fuel Price**

Reedy Creek Quarries have put up all aggregates by \$5 per ton plus GST due to fuel prices. CBR80 \$11 to \$16. CBR45 \$10 to \$15 (plus GST) these are prescribed road base materials that will increase costs of all road constructions. A standard 25 ton load is now \$125 more expensive, in road constructions this multiplies by thousands. Construction concrete aggregates are up \$5 per ton (plus GST) which will further push home prices beyond reach of families.

56. **Effect upon People**

Emission Trading will reportedly increase Electricity 16% and Gas 10% plus GST, emissions trading will cost \$11 billion over three years, this will be put back onto the peoples living costs that we cannot afford, people are already losing their homes and assets due to interest rate rises. In listening to community voices over a wide area this additional financial burden has many saying enough is enough.

57. Many retired people in country areas where they have lived all their life and have their community of interest and family, are now unable to do weekly shopping for food and medical supplies, it is back to monthly shopping and possibly three monthly shopping like our grandparents in the future; and possibly financially forced migration to cities where there is food but no housing (due to excessive nonsense regulations, fees-charges-taxes). What will governments do if people are financial forced to abandon rural areas en masse?

58. Due to unnecessary (many extremely stupid) state government requirements that defy logic on establishing a house site, the high fuel prices will further put home ownership beyond the reach of many. This subject alone needs a Senate Inquiry as when we fail to house our people we fail as a nation – the reason it has arisen is governments are listening to theorist consistently finding additional ways to impose fees and taxes and not using proven practicality or common sense – this is the reason many historical civilisations destroyed themselves. We wrote to PM Bob Hawke when he proposed the ‘National Summit’, we openly said the findings would be “To get the nations employment moving again would require the housing industry to be very active” this was obvious to everyone except politicians, they had to hold an expensive summit to learn the obvious. We need to go back to where a family could buy a block of land and live in a shed or caravan while they built their house over five years and ‘stuff’ what the neighbour thinks. We have to re-educate our nation to start at the bottom, lower expectations or go broke. Luxury items are high fuel dependant to manufacturer. One guy told me he does seasonal work with accommodation provided, in winter he tries to get a short jail sentence as the comforts and medical attention are more than he can afford outside – that is a shocking indictment on any government.

59. The historical rule for an affluent economy has always been the rural sector must be prospering, fuel prices are going to have such a compounding knock-on effect that will escalate into extreme economical national problems made worse by \$11B emissions trading additional national costs. Again I refer to the aforementioned need to re-establish national fuel independence (COR), try and skirt around it with hit-or-miss systems but we will eventually be forced into national fuel independence at much greater national loss, the longer it is delayed the higher the crippling cost and civil unrest will eventually explode. Will our ultimate repose be any different to other peoples of the world where riots and deaths have taken place?

60. **Petrol Commissioner**

This position is of doubtful use and will achieve nothing other than write reports that people may or may not be in a position to benefit from, unless the Prices Surveillance Authority & ACCC are given very powerful investigative powers over parity pricing and every other aspect of fuel activity including investigation into all oilfield activities and oil production. Only then will the Petrol Commissioner be of value.

61. **Alternative Fuels**  
A Victorian power station fitter invented a rotary carburettor that took an FJ Holden from 26 Miles Per Gallon to 43 MPG, this was given considerable testing (RACV) and publicity. He came to work one morning and in his deep Scottish brogue said, “Have a look at that me-ludd, you’ve never smelt so much money in yerrrr life”, as he waived a piece of paper under my nose. It was a cheque from an Oil Co for £32,000.00, (the wage at that time was about £1,500.00 per year) they brought the intellectual property rights of the unit and it disappeared.
62. **How many other inventions suffered the same fate, there needs to be worldwide co-operation of governments to examine all patent records and to legislatively force disclosures of all known suppressed alternative systems.**
63. There were published reports of other alternative fuel sources including a technique of cracking the oxygen-hydrogen from water in usable form that reportedly powered a vehicle in Melbourne; this received considerable press coverage of it being driven and inspected by RACV and army engineers (Melbourne)? The inventor offered it to the Victorian Premier Henry Bolte for \$4m, he refused to pay such a massive amount (at that time) stating that petrol is only 1/3<sup>d</sup> a gallon (13 cents for 4.5 litres) and we would never run out of oil. The Country Party politicians wanted to buy the invention for the future benefit of rural food producers.
64. Nikola Tesla undoubtedly the world’s greatest inventor was well documented in his ‘free energy’ powered ‘Peirce-Arrow’ car, the world regrets allowing this to die with the inventor for the sake of \$5m. (He also invented alternating (AC) electrical current still used today in its original form to power the world.)
65. [I had the privilege of working with several ingenious inventors and meeting many more. I and others are of the firm opinion that ‘Australia is the stupid country’, we allow inventions to die without support and have lost massive cost benefits. I have written to many politicians and been ignored, on the need to establish an ‘Institute of Patentees and Inventors’, years after I first wrote on this need and spoke to many ‘organisations of inventors’ and others, the UK government did exactly what I had proposed – and it is now self-sustaining. They now reap the massive benefit of local inventions and designs earning export incomes. The need for this still exist here but politicians in blissful ignorance and inability to look ahead still ignore this issue and so Australia continues to lose brilliant inventive minds that after heartbreak and despair go overseas to develop their inventions and we pay to import them back when we should have been earning export dollars.]
66. (The worlds first jet engine was invented by an Australian farmer and taken to the military, they rejected it outright on the grounds it made too much noise, he abandoned it and years later it was ‘invented’ overseas.)
67. **Rail Transport – The cheapest form of travel and goods transportation**  
For years we have tired to get governments to look at the future (but many are only interested in current political survival) and learn from Europe’s efficient railways to cut future fuel costs, one goods train carries as much as 36 fully loaded semi-trailers; that one fully loaded semi-trailer with six axles or more, does as much road wear and damage per kilometre as about 12,000 cars. One B-double does the equivalent road wear and damage as 20,000 cars, one B-triple equals 25,000, one Bus equals 4,500 cars. Pavement damage can generally be related to the fourth power of the vehicles axle’s loads. The construction of one kilometre of highway costs double for that of one kilometre of rail line and it costs three times as much to maintain that one kilometre of highway, than for the rail line. Many have said rail transport declined by deliberate intent of governments who lacked the ability to run them, and who received donations from transport companies (to remove opposition)? A former senior NSW Railcorp employee tells me of many stupid wasteful management decisions that would not be tolerated in private enterprise; he resigned as he could no longer tolerate the incompetence.
68. **Example:** The previous cost of running the Gold Coast Motor-Rail was close to \$11M and it returned \$22.5M, making it one of the states most profitable lines. In 1973 the Gold Coast Motor-Rail took 25,000 passenger bookings through the Murwillumbah office alone excluding all outside booking agencies. By 1980 the passenger bookings through the Murwillumbah office had risen to 51,000 that is a 26,000 increase in seven years. Add to this all other bookings from both ends of the line which are still held on record and



should be accessed, will show the full usage clearly these figures need to be raised from archival records. Had this standard been maintained under current tourist increases to the Gold Coast and Queensland there would have needed to be two Motor-Rail services daily. The Motor-Rail pulled two flat-top MBY car carriers that took 20 vehicles on average both directions resulting in 14,600 vehicles off the road each year, with resultant reduced accidents, road maintenance and fuel usage.

Former Transport Minister in the Wran Government, Hon Peter Cox, stated at a government cabinet meeting at the Banora Point Sports complex, that the Gold Coast Motor-Rail was the most profitable passenger rail line in New South Wales. Later governments changed the travel times so it did not connect with southern and wester train transfers and with odd travel times to deliberately turn people away and reduce numbers to have a reason to close it in favour of road coaches. It was closed due to falling numbers deliberately created by removal of the MBY car carriers, stupid travel times that did not connect to southern and wester train transfers requiring overnight stays, it became self destructive by deliberate act, when it should have been upgraded and extended to meet the new Queensland rail line to Coolangatta. The 'expert' who was brought here by the NSW government to make recommendations on rail services (I have since thrown out the reports and finite details) that we traced in the US, was actually a person of little actual rail knowledge and no expert; he did not have clue on Australian rail service needs.

69. **Carbon Emissions Trading**

Many describe the Prof Garnaut Report 'as a suicide note for Australia': this is just another item where governments give nothing and take an unnecessary tax in return, using an unproven vogue issue to boost government coffers instead of cost cutting. So what are we doing reducing emissions or just creating a new tax.

70. Tradeable licenses will not stop carbon emissions it will only add massive costs to our nation by a mini-replica of a stock-market, where those in 'the-know' with finances will be able to trade in circles making profits from the poor.
71. If the people are going to be hit with increased cost for energy-food-life commodities and overall flow-on multipliers in the community, where many families are already hurting very badly and struggling to survive, they are at critical rock bottom (again due to poor management and interest rates where our nation is captive to the Banksters – there is a fairer and more equitable method to control inflation which requires a Senate Inquiry). What if there is massive resistance to the point state governments may be forced go to the people at an election with referendum to withdraw from the federation of states? World history shows when people are at rock bottom and have nothing left to lose they will fight hard.
72. What if industries and power generation Co's are forced to shut down instead of complying due to excessive costs being at the maximum people can afford and reduced profit percentages make it impossible to plan for future maintenance and machinery upgrades? The Government cannot subsidise them forever as they consistently tell us there are no funds to even fix the teeth of children and pensioners, many who urgently need treatment and cannot eat properly—there are hundreds of cancer patients who have to wait years for treatment, which means a cancer that could have easily been removed is out of control and fatal causing an agonising death – while governments waist millions on unnecessary expenditures, like the unnecessary appointment of an ambassador to the Vatican—brainwashed beliefs do not feed families.
73. Put up electricity and fuel prices (Trillions more to the Oil Co's and nothing to Australia) and people are going to use original heating fuels to cook and warm their families, and no government can stop them without jailing them, which is a high cost high energy use system – then they will fight.
74. Currently hybrid cars leave a far greater emission footprint (manufacture costs and battery replacement and disposals) over their life than a super efficient HDI Peugeot the world's most efficient small diesel.
75. **The total emissions of Australia are less than one percent (1.5%) of the world's problem; why should the people be forced to accept penalties the rest of the world is exempt from. If we totally close down Australia for five years we will not make any difference to the emissions problems of the world.**

76. Like the level-playing-field for agricultural products, we are the only country (fool) on the level-playing-field that has destroyed much of our agriculture creating unemployment.
77. The European Union emission trading scheme does not work, their emission have increased. Carbon trading is to raise a new tax; it will not cut greenhouse gas. Any Senator like to make a bet that in 5 or 10 years little will have changed—for many reasons. The European reduction (7.7%) in emissions was solely due to the collapse of the Soviet Union and East German regimes in 1990.
78. The Petrol price increase is an already imposed emissions tax. World Steel making coking coal has gone up 600%, heating coal up 400% and oil prices up 700% since 2001 and such has not halted emissions, if the government is serious about emission control stop supplying China, India and others with the materials that lead to high emissions—stop being hypocritical on the issue. Stop supplying coal, stop mineral exports that lead to pollutions being used—this is of course fanciful like the carbon Tax as a selective manoeuvre to raise taxes appearing to do something when in reality it does nothing. The destruction of our atmosphere will be caused by China, India, USA and Europe, no matter how much we moralistically selfdestruct will not alter the outcome – we must have their co-operation to succeed.
79. After 9/11 Twin-Towers disaster when all air flights were stopped over the US and no aircraft pollution (condensation trails) was emitted it was reported the atmospheric temperature dropped significantly (1 degree?). These are acknowledged as major polluters, if politicians really are serious then stop using aircraft—use video conference lines to vote in parliament—similar to what is being put on families due to financial constraints.
80. The people will not accept accelerated costs they cannot afford? They are hurting enough.
81. How will Carbon Trading Credits apply on forested land: will sparse open forests will have much lower credits than heavily timbered land. It is reported young growing trees and wetland plants produce the most oxygen, as does vast expanse of green foliage food crops; old mature trees produce very little and probably do not produce enough to counter the decomposition gas from the litter they drop. Do broad leaf trees produce more than conifers, how does that compare with wetlands, grasslands, jungle, timber plantations, fodder of grain crops, vegetable crops; if your crop is green and growing do credits apply for the growth period only, this knowledge needs to be established as a credibility factor first. To encourage forests of natural species that are also wildlife habitats must get the greater benefit and be given local government rates exemptions if not producing an income other than carbon trading. There is insufficient data on the table on this subject.
82. **The Impact of an Emissions Trading Scheme**  
This is based on global warming and the need to prevent continued warming, we need to identify the basis of global warming; is it a regular feature of this planet or is it something that has never happened before that is solely caused by industrial emissions?
83. This Inquiry needs to firstly establish the factual basis the ‘Emissions Trading Scheme’ is based on being that of ‘Global Warming’ caused by industry: If you cannot establish an irrefutable and indelible base then the entire Australian Parliament and Senate will forever be held in disrespectful ridicule.
84. What are the known facts of global warming away from personal opinions and media hype beliefs? Will anything a small nation like Australia does actually have any influence or effect upon the big polluters of the world?
85. **Rising World Temperatures**  
In 1421, a Chinese Imperial Navy squadron sailed right around the Arctic and found no ice anywhere. We cannot change that historic event demonstrating much higher natural global temperature than now.
86. When Eric-the-Red conquered Greenland in the middle ages much of the continent was ice-free and he called it ‘Greenland’ to encourage Danish migration, as southwest Greenland was indeed green and extensively cultivated until c.1425 when farms were suddenly overrun by permafrost; the Viking settlements remain under the permafrost to this day. Scientific ice cores show the original ice areas due to

pollens, at that time the world's temperature was much higher than now without any pollution factors, many times in pre-history earth temperature have been much higher (+3) and colder than now – without pollution factors. As the ice in Greenland retreats today these settlements are again becoming visible.

87. The tilt of the earth's axis (*obliquity of the ecliptic*) defines the seasons in temperate climates. The elliptical orbit of earth can vary up to five per cent, which effects the solar radiation that strikes the earth from aphelion to perihelion (furthest and nearest) and surface temperature. Years ago the Sahara desert and central Australia were tropic forests due to the axis tilt which reverses at regular intervals; it is long overdue the tilt to reverse.
88. If conditions arise that create an imbalance in the earth's gyroscopic rotation, the earth's plates move in such a manner as to return the earth to a balanced spin, during ice ages the heavy formation of ice kilometres thick caused imbalance, the current weight of the polar caps have the earth flattish at both poles causing increase flexing at the equator producing volcanic activity and atmospheric heat. The Industrial Revolution has literally moved mountains of soil and rock to build cities, dams etc. These dams and the water filling of massive undersea cavities to force oil and gas up for extraction has created massive weight shifts the gyroscopic effect is trying to correct, this effects temperature and plate movement (continental drift) which again affects temperature. Geological and botanical evidence show the poles shifting numerous times. Professor Charles Hapgood's research (supported by Professor Elbert Einstein) showed around 12,000 years ago, towards the end of the Pleistocene the North Pole moved to its current position in the Arctic Ocean; 50,000 years ago it was in Hudson Bay; 75,000 years ago it was in the Greenland Sea; 120,000 years ago in the Yukon Territory of Canada. The imbalance is corrected by movement of the earth's crust with substantial evidence it moved suddenly.
89. Massive deposits of *muck* (prehistoric life forms, plants, animal, birds, fish) exists in numerous countries from Alaska – massive amounts of mammoths, mastodons, several kinds of bison, horses, wolves bears, lions, trees, plants, birds etc: USA – California's La Brea tar pits, 565 species of animals, over 700 sabre toothed tigers, 138 species of birds embedded some 10,000 years ago: Siberia – the 'Jarkov mammoths' suddenly frozen with undigested food in its mouth and stomach – John Massey Stewart, writing in the *Smithsonian* estimated more than 500,000 tons of mammoth tusks were buried along the Siberian Arctic Coastline. This is irrefutable evidence of sudden polar change which in turn causes surface temperature changes.
90. The effect of sola influence on temperature is more difficult to establish, so we rely on core samples for gas and mineral deposits and to show layering of microbes, bacteria, pollens and vegetation matter of known temperature growth ranges; these conclusively show previous high temperatures existed in our past. Add to this the changing ocean currents that today still protect Europe from being in a mini ice-age, a slight variation of these ocean currents and substantial temperature changes will occur on the surface for centuries; there are many variable factors causing a variety of temperature changes to the earths surface, including today's.
91. Thirty years ago the press were telling us we were heading for another ice-age, now its global warming.
92. Many scientists today are concerned that we are close to a mini-ice age based on the low-level of sun spot activity. When this has happened in the past the world's mean temperature has dropped 1 -2 degrees, if we drop 2 degrees it will have a significant impact on food production. Earlier this year, astronomers from around the world noted that solar activity was suspiciously low.
93. See:-  
<http://www.dailytech.com/Solar+Activity+Diminishes+Researchers+Predict+Another+Ice+Age/article10630.htm>
94. Several months ago, a team of German climatologists forecast that, due to "natural effects", global warming would halt for up to 15 years.  
See:- <http://www.dailytech.com/Researchers+Global+Warming+Halts+Until+2020/article11672.htm>

95. **There is NO consensus on global warming – SO – What is the real position?**  
Over 30,000 US scientists disagree that anthropogenic CO2 emissions are causing global warming and have petitioned the US government. See: <http://www.petitionproject.org/>
96. The opinion of Prof Garnaut, the author of the current government climate change report is no greater than others who report opposite effects, we listened to the words of Professor Carter from James Cook University – and others who presented an interesting opposite scenario.
97. **There is not enough information on the table to have a finite opinion?**
98. We have equally divided opinions from the scientific community, we need more facts on the table before legislation; personal opinions are not facts.
99. It is now in-vogue to accept global warming without dissent – in scientific studies nothing must be accepted without constant research, and this is showing that global warming periods are very natural and occur in cycles. During each of the last four interglacial periods, the Earth was warmer than the current warm period—the current warming is a very normal cycle.
100. The UN’s published 2001 report and graphs on global warming first appeared in *Nature* (Mann et al. 1998) then the following year in *Geophysical Research Letters* (Mann et al. 1999) who omitted the known mediaeval warm period. After its appearance in the UN’s 2001 report, Dr McIntyre et al. (2003, 2005) demonstrated that the erasure of the mediaeval warm period of about 500 years between c.AD 950 and c.1450, was caused by inappropriate data selection and incorrect use of statistical methods, (that has created great dissent amongst scientists). Some 41 scientists wrote to the London *Telegraph* saying they were not convinced of the “*global warming*” cause and effect. Many eminent British scientists now identify these errors but the ‘galloping-green-house-theory’ has so entrenched non-scientific minds it has become an industry within itself—hence this Senate inquiry.
101. Dr Hendrick Tennakes, retired director of research at the Royal Meteorological Institute of The Netherlands, wrote to Dr McIntyre in 2005 to say: “The IPCC review process is fatally flawed..... The scientific basis for the Kyoto Protocol is grossly inadequate.” We now have governments falling over themselves to support the Kyoto Protocol when too many senior scientists are in dispute over its correctness. Have the scientific confidence trickster been successful in selling a dud product? There are not enough independent studies on the table to say yea or nay at this point in time, so until there is we must not be stupid and destroy our economy with unnecessary legislation over a yet unproven theory—prove it first.
102. To resolve this controversy, it is insufficient merely to rely upon the fact the UN’s graph was not fit for its purpose. It will be necessary to give an account of several of the independent proxy temperature studies published in recent years. The award-winning, contrarian website of the energetic Idso family of scientists, at <http://www.co2science.org> provides clear and fair summary of papers relevant to the climate change debate.
103. Further unbiased information is available at:  
<http://www.telegraph.co.uk/news/graphics/2006/11/05/warm-refs.pdf>
104. What studies of reputable scientific reports have members of this Senate Inquiry read? If the answer is other than a comprehensive study on the subject then you are only going to be influenced by the few submissions you read, which may not attract full factual reports.
105. The Royal Society and most scientists are State funded so the equation of State-subsidised science is “No problem Equals No Funding”, they must keep on finding/generating problems for survival. Thirty years ago they were telling us another ice-age was coming. The Greenhouse Office in Canberra is reportedly been funded for \$1B, if the theory falls over they are unemployed so their vested interest must compound the issue for their survival.

106. We know warming is due to natural multi-thousand-year-cycles, and we must accept that industrial pollution has some effect, but how much – that we do not know. Contrary to populist belief there is no evidence that global warming is caused by current pollution as the actual temperature has dropped 0.6 degrees since 1998.
107. Current reports tell us the ice sheets around Antarctica are melting and at the same time the actual ice sheet over the continent is increasing in thickness. We know very little snow falls in the centre of Antarctica where it has areas of bare rock and gravel due to the cold air's inability to hold moisture and form snow, on the edges there is substantial snow fall due to the convergence of warm moist air with cold air.
108. **The Cities Effect**  
The glaringly obvious major contributing effect to earth temperature changes that current theorist's single minded thinking fails to identify is that reflected back into the atmosphere from roofing, concrete and metal structures: With high temperatures stored in black and dark coloured buildings and other structures, and massive road and street areas across the world. In Canada when they originally built bitumen roads on top of permafrost the absorbed summer heat caused steam and gas build up under the pavement that caused explosions, they now raise road foundations above permafrost. In the summer heat you can actually cook and egg on a bitumen surface, it will burn bare feet, this heat stays in the ground all night and overall for weeks into winter—that is undeniable heating not caused by pollution. Cities generate their own micro-climates.
109. **Global Warming**  
In viewing available scientific data, temperature records, historical records and geological earth effects, one is forced to wonder if the opinions on global warming is caused by 'mind pollution', a socially acceptable mental condition not supported by any known factual data?
110. **Dr Art Raiche (Formerly Chief Research Scientist CSIRO)**  
“Why is it that changes to the path of ocean currents and the role of hot hydrothermic vents in the mid-Atlantic ridge in melting Artic ice are ignored in the media.” “Why have the oceans been cooling for five years?” “..... the hottest year of the 20<sup>th</sup> century was not 1998 but 1934 and that six of the 10 hottest years after 1880 were before 1954?”
111. The Colorado University's Centre for Astrodynamics Research states the oceans temperatures have fallen over the last two years.
112. Irrefutable evidence shows prior global warming periods (and cooling) of greater temperatures than now. There are many hot hydrothermic vents under the ocean that are not monitored, these caused such temperature changes over millennia that entire life forms have developed that live entirely without oxygen, these are know to have long term effects upon ocean temperature and ocean currents, which in turn effect surface temperatures. These have contributed to swelling the oceans which in turn absorb more sola heat, which increase swelling .... It is now reported they are starting to fall?
113. **Attached article: The Australian 18 July 2008:**  
**By: Dr David Evans, a consultant to the Australian Greenhouse Office from 1999 to 2005**
114. **The Australian**  
<http://www.theaustralian.news.com.au/story/0,25197,24036736-7583,00.html>

**David Evans | July 18, 2008**

I DEVOTED six years to carbon accounting, building models for the Australian Greenhouse Office. I am the rocket scientist who wrote the carbon accounting model (FullCAM) that measures Australia's compliance with the Kyoto Protocol, in the land use change and forestry sector.

FullCAM models carbon flows in plants, mulch, debris, soils and agricultural products, using inputs such as climate data, plant physiology and satellite data. I've been following the global warming debate closely for years.

When I started that job in 1999 the evidence that carbon emissions caused global warming seemed pretty good: CO<sub>2</sub> is a greenhouse gas, the old ice core data, no other suspects. The evidence was not conclusive, but why wait until we were certain when it appeared we needed to act quickly? Soon government and the scientific community were working together and lots of science research jobs were created. We scientists had political support, the ear of government, big budgets, and we felt fairly important and useful (well, I did anyway). It was great. We were working to save the planet.

But since 1999 new evidence has seriously weakened the case that carbon emissions are the main cause of global warming, and by 2007 the evidence was pretty conclusive that carbon played only a minor role and was not the main cause of the recent global warming. As Lord Keynes famously said, "When the facts change, I change my mind. What do you do, sir?"

There has not been a public debate about the causes of global warming and most of the public and our decision makers are not aware of the most basic salient facts:

1. The greenhouse signature is missing. We have been looking and measuring for years, and cannot find it. Each possible cause of global warming has a different pattern of where in the planet the warming occurs first and the most. The signature of an increased greenhouse effect is a hot spot about 10km up in the atmosphere over the tropics. We have been measuring the atmosphere for decades using radiosondes: weather balloons with thermometers that radio back the temperature as the balloon ascends through the atmosphere. They show no hot spot, whatsoever.

If there is no hot spot then an increased greenhouse effect is not the cause of global warming. So we know for sure that carbon emissions are not a significant cause of the global warming. If we had found the greenhouse signature then I would be an alarmist again. When the signature was found to be missing in 2007 (after the latest IPCC report), alarmists objected that maybe the readings of the radiosonde thermometers might not be accurate and maybe the hot spot was there but had gone undetected. Yet hundreds of radiosondes have given the same answer, so statistically it is not possible that they missed the hot spot. Recently the alarmists have suggested we ignore the radiosonde thermometers, but instead take the radiosonde wind measurements, apply a theory about wind shear, and run the results through their computers to estimate the temperatures. They then say that the results show that we cannot rule out the presence of a hot spot. If you believe that you'd believe anything.

2. There is no evidence to support the idea that carbon emissions cause significant global warming. None. There is plenty of evidence that global warming has occurred, and theory suggests that carbon emissions should raise temperatures (though by how much is hotly disputed) but there are no observations by anyone that implicate carbon emissions as a significant cause of the recent global warming.

3. The satellites that measure the world's temperature all say that the warming trend ended in 2001, and that the temperature has dropped about 0.6C in the past year (to the temperature of 1980). Land-based temperature readings are corrupted by the "urban heat island" effect: urban areas encroaching on thermometer stations warm the micro-climate around the thermometer, due to vegetation changes, concrete, cars, houses. Satellite data is the only temperature data we can trust, but it only goes back to 1979. NASA reports only land-based data, and reports a modest warming trend and recent cooling. The other three global temperature records use a mix of satellite and land measurements, or satellite only, and they all show no warming since 2001 and a recent cooling.

4. The new ice cores show that in the past six global warmings over the past half a million years, the temperature rises occurred on average 800 years before the accompanying rise in atmospheric carbon. Which says something important about which was cause and which was effect. None of these points are controversial. The alarmist scientists agree with them, though they would dispute their relevance. The last point was known and past dispute by 2003, yet Al Gore made his movie in 2005 and presented the ice cores as the sole reason for believing that carbon emissions cause global warming. In any other political context our cynical and experienced press corps would surely have called this dishonest and widely

questioned the politician's assertion. Until now the global warming debate has merely been an academic matter of little interest. Now that it matters, we should debate the causes of global warming.

So far that debate has just consisted of a simple sleight of hand: show evidence of global warming, and while the audience is stunned at the implications, simply assert that it is due to carbon emissions.

In the minds of the audience, the evidence that global warming has occurred becomes conflated with the alleged cause, and the audience hasn't noticed that the cause was merely asserted, not proved. If there really was any evidence that carbon emissions caused global warming, don't you think we would have heard all about it ad nauseam by now? The world has spent \$50 billion on global warming since 1990, and we have not found any actual evidence that carbon emissions cause global warming. Evidence consists of observations made by someone at some time that supports the idea that carbon emissions cause global warming. Computer models and theoretical calculations are not evidence, they are just theory.

What is going to happen over the next decade as global temperatures continue not to rise? The Labor Government is about to deliberately wreck the economy in order to reduce carbon emissions. If the reasons later turn out to be bogus, the electorate is not going to re-elect a Labor government for a long time. When it comes to light that the carbon scare was known to be bogus in 2008, the ALP is going to be regarded as criminally negligent or ideologically stupid for not having seen through it. And if the Liberals support the general thrust of their actions, they will be seen likewise.

The onus should be on those who want to change things to provide evidence for why the changes are necessary. The Australian public is eventually going to have to be told the evidence anyway, so it might as well be told before wrecking the economy.

**Dr David Evans was a consultant to the Australian Greenhouse Office from 1999 to 2005.**

“Shooting the messenger does not change the message” anon.

Submitted by:

G J May

24 July 2008

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