

Here we have a hostile review launched by one taxpayer-funded

Challenge to climate views

Des Moore ('Basic flaws in climate gospel', Letters, June 16), as a former senior government economist should know better than to misrepresent data from two reputable 158-year published statistical series of global average temperature (GAT) to bolster his climate-sceptic case. Moore's views on climate change have no factual basis.

The United Kingdom Government Met Office Hadley Centre GAT data series shows about 0.8 degrees global warming from 1906 to 2005. The 2007 IPCC 4 report states a similar figure of 0.74 degrees centigrade GAT rise from 1906 to 2005. Both graphs show large year-on-year oscillations and also long cooling phases, e.g. between 1898-1909 and 1941-51.

But the overall trend line in GAT since around 1906 in both series is indisputably upwards, and of similar large magnitude.

Does Moore challenge the veracity of these two-data series?

His claim that GAT fell in 117 of the past 158 years is both untrue (1 visually counted only 74 from the Hadley Centre graph) and irrelevant. It is the trend line that counts, not oscillations.

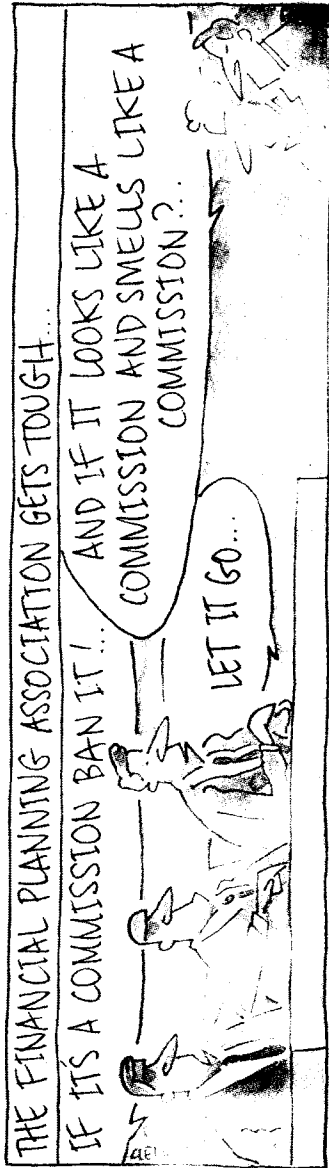
The reality of the global climate system since 1906 is that multi-year periods of "cooling" are superimposed on a longer-term warming trend that is due to greenhouse gas emissions.

Reasons for this variability include the buffering effects of ocean absorption of carbon dioxide and delayed polar ice-melt effects, the negative (cooling) effects of aerosols, and the highly variable El Nino Southern Oscillation. Climate scientists have already factored these influences into their analysis.

What is left is a statistically strong and experimentally demonstrated causal relationship between man-made greenhouse gas emissions, mostly carbon dioxide, and global warming. The relationship between

were considered necessary, the Defence Materiel Organisation and

management, maintenance regimes etc. Every change in the



Paul Barratt
Malvern Vic

19/6/2009

Why wait until 2012 to ban commissions?

The Financial Planning Association has called for a banning of commissions for advisers from 2012. This is a step forward, but there are many crucial extra steps that need to be taken to clean up the industry.

There are other payments from fund managers to financial planning businesses that need to be banned, including platform rebates (also known as volume bonuses). Volume bonuses (very much like trailing commissions) are paid to financial planners in exchange for that business selling product.

A poll by *Money Management* showed 55 per cent of financial planners believed volume bonuses were commissions by another name. The majority of other planners said that volume bonuses influenced approved product lists. If volume

bonuses are similar to trailing commissions and 55 per cent of financial planners think that volume bonuses are commission by another name, then clearly the FPA's support for volume bonuses is inconsistent with its call to ban commissions — and as such FPA's position is unsustainable. All payments from product providers to financial planning businesses should be banned including volume bonuses, marketing support, sponsorship and shelf-space fees. All these payments can taint advice.

We need a separation of salespeople from advisers. Former High Court judge of 23 years Anthony Mason said in Adelaide in March: "Our system enables the product seller to adopt the disguise of a financial adviser and endows

that disguise with the aura of legitimacy by calling him a 'licensed' financial adviser." Even after commissions are banned, if no other actions are taken, consumers will not be readily able to determine whether they are dealing with a salesman or an adviser. Therefore, salespeople need to clearly be identified as salespeople so that consumers can be more sceptical about any advice they receive.

Why wait for another three years to ban commissions? If commissions are wrong and bad, ban them all now. After all, whose money is it? Consumers' interests need to come before the interests of advisers.

Bruce Baker
Puzzle Financial Advice
Kenmore Qld

Hopes turn to ash

Many Great Southern ("How timber chief cashed in his chips", June 10) and Timbercorp investors chasing tax deductions may get the ultimate deduction due to "fantastic" financial planning advice — 100 per cent loss.

Martin J Cochrane
Adelaide SA

Arabs' settlements excuse a red herring

The stumbling block to peace between Israelis and Palestinians/Arabs is not settlements, we have seen Israel dismantle settlements and move out of Gaza, resulting in even more rocket attacks. The settlements excuse is a red herring (June 16). It is the Palestinians' refusal to accept the 1948 UN declaration of one state for the Jews

and one state for the Arabs. If the Arabs had accepted the umpire's decision we would not be in the position we find today. It's Palestinian and Arab denial that is the problem, not Israeli PM Benjamin Netanyahu.

Michael Burd
Toorak Vic

Telstra's success

I refer to Pamela Williams's account of the events leading up to the departure of Donald McGauchie and Sol Trujillo from Telstra ("High noon in Telstra's boardroom", June 18).

As finance minister from 2001 to 2007, I was one of two shareholder ministers for the government's majority shareholding in Telstra until the completion of the T3 sale in 2006. In response to Williams's rather caustic reflections on McGauchie and Trujillo, I wish to record my thanks and gratitude for their contribution to this company during the period. They were both critical to the success of the T3 sale, for which I am especially grateful.

Williams has failed to present a balanced view of the contribution McGauchie and Trujillo made to Telstra, which in my view was considerable and should be acknowledged.

Nick Minchin
Leader of opposition in Senate
Canberra ACT

Morgan clarification

The edited extract of David Morgan's speech to the national convention of the Australian Human Resources Institute (Opinion, June 12) inferred incorrectly that Morgan led Westpac in the early 1990s. In fact, Morgan's speech correctly stated only that he was in charge of a large part of the bank during those years. The mistake was made in our editing of the speech.

Peter Wilson
National Australian Resources Institute
Melbourne Vic

Faulkner must note lessons of history in defence spending