

Tony Abbott draws a line in the energy sand

Terry McCrann, Herald Sun, October 12, 2017 12:00am

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TONY Abbott's speech in London was a seminal event. It finally, if belatedly, drew a line in the sand between energy sanity and insanity and invited politicians, business leaders and indeed voters to join him on the side of sanity.

The side of sanity, it should not need stating, is one of cheap, reliable and plentiful electricity, delivered principally by the only form of generation that meets that criteria, and has been meeting it with increasing efficiency for nearly 100 years: coal-fired power.

Former Productivity Commission chief Gary Banks and competition reformer Fred Hilmer stepped at least three-quarters of the way over the line with their — and the word is used deliberately and in its right meaning — courageous call for Australia to reduce its emission reductions commitments under the fake (my word) Paris Climate Accord. Commitments, it should be noted that were “committed” by the former prime minister, the said Tony Abbott; albeit — very hurriedly — actually only formally endorsed by his successor Malcolm Turnbull.

Banks and Hilmer were joined somewhere between a quarter and halfway over the line by Paul O'Malley, the retiring CEO of BlueScope Steel — the once-was steel division of BHP, and seemingly the last redoubt of some energy sanity from that conglomeration. At least O'Malley called for a 10 year journey to the land of energy insanity — that of the fake wind and solar so-called renewable energy (my term again) and the unnecessary excessive use of expensive gas to make electricity.

Straddling the “Abbott line” with O'Malley, I would also put former Origin CEO and former (temporary) BHP director Grant King, with his endorsement of the Turnbull Government's (unofficial, as yet unannounced, and so vulnerable to the onset of political spinelessness) ditching of a CET (Clean Energy Target). King made exactly the same point as Turnbull and his Energy Minister John Frydenberg: if, as the renewables main-chancers have been stridently claiming, that wind and solar are now or about to become cheaper than coal, the CET is entirely and totally superfluous.

All future energy investment will flow seamlessly and overwhelmingly into wind and solar. Indeed, to borrow the quotester style of President Trump, we'll have so much cheap wind and solar power coming at us, we'll get tired of having so much of it and it being so cheap.

Except those claims are just complete and utter rubbish. Wind and solar, properly costed for reliability — and without either direct subsidy or the indirect subsidy of penalising coal — will be cheaper than coal in the same year that the first unicorn takes its place in the Melbourne Cup.

But hey, these renewables fanatics and suckers on the taxpayer and consumer teats should be made to put their money where their mouths and their brainlessness are.

Mentioning Frydenberg, I was impressed to see him announcing his belief in climate change. What next? Will he tell us he believes in the moon? Maybe, that he believes in forests? The potential list is endless.

So that's those on the sanity side of, or at least straddling, the "Abbott line". A conga-line of business sucksters lined up on the insanity side of the "Abbott line", including King's successor at Origin, Frank Calabria, who demanded the government go back to the CET. Businesspeople like Calabria keep mindlessly prattling about "certainty". Never mind about rationality; they just want to know "where to invest". This sort of "certainty" is the certainty only of the grave. If the government said: we are going to generate all our future electricity by having people peddle on exercise bicycles and feed that (pathetic) power into the grid, people like Calabria would say: great, at least we've now got certainty, so Origin can start building and installing exercise bikes.

In terms of rationality, there is a very small difference between that suggestion and claims that we could get 50 per cent of our electricity from wind and solar. This — which no one and certainly not the idiot named Bill, masquerading as the alternative PM, and who in his short life in official politics has taken the word cynicism to new lows — would, apart from anything else, require installation of so-called installed "capacity" equal to at least 200 per cent of total electricity demand.

And still we'd also need massive, really polluting, batteries and other power stations ticking over pointlessly for when the "wind don't blow and the sun don't shine".

This is one of the great defining moments in time. You have the choice of joining Abbott on the side of sanity or "outing" yourself as being in favour of energy insanity.

TAX OFFICE STEPS OVER ITS LINE

I DON'T know which is more seriously disturbing: the Australian Taxation Office saying it knows — it knows — what tax big business should pay, or the broad acceptance of the claim as entirely uncontroversial. Think of it in your own terms: you — honestly — set out your income on your tax return, you list all the — again, entirely honest and appropriate — deductions and rebates, to arrive at your tax bill.

And the Australian Taxation Office replies: we don't care what you've detailed and we are not claiming that you've lied, but we've estimated that you should pay more tax. Send us the cheque on pain of us coming after you. That's essentially what the ATO is doing with its so-called "large corporate groups income tax gap" — the "difference between the total amount of income tax collected and the amount we estimate would have been collected if every one of these taxpayers was fully compliant" (as defined by the ATO).

Disturbing. Seriously disturbing.