

## We're willing to sink energy deal, Hanson and Leyonhjelm warn PM



Hanson said yesterday she was “strongly against” the NEG. Picture: AAP

Ben Packham, The Australian, 12:00AM July 27, 2018

Key Senate crossbenchers Pauline Hanson and David Leyonhjelm have warned Malcolm Turnbull they could sink his national energy guarantee if he is forced to rely on independent support to secure his signature energy reform.

The One Nation Leader said yesterday she was “strongly against” the NEG, and wanted to pull out of the Paris climate deal that required Australia to cut 2005-level emissions by 26 per cent. “Why should we comply with the UN Paris agreement when major Paris signatories refuse to comply and we sell them our coal?” Senator Hanson told The Australian from a cruise ship off Ireland. “What we need is cheap, reliable electricity and to harness our natural supply of high-quality coal in new low-emissions, coal-fired power stations.”

Senator Hanson, who controls two Senate votes, said government policies favouring renewable energy had made it almost impossible to secure financing for new coal-fired power stations, which she said would deliver cheaper power.

Senator Leyonhjelm, the Liberal Democrat, said he wanted to see evidence the NEG would dramatically lower power prices before he would back the deal.

“They need to fall by at least 50 per cent to restore competitiveness and take pressure off households,” he said. “I’ll be looking for additional initiatives that achieve such a cut.” Senator Leyonhjelm, who has also called for Australia to renege on its Paris commitment, said cutting assistance for rooftop solar, as recommended by the competition watchdog, would be “a good start” With federal Labor signalling it was likely to oppose what it said was a “pathetic” 26 per cent carbon emissions cut under the NEG, the government may be forced to rely on the votes of eight of 10 Senate crossbenchers to get the policy through parliament.

The Centre Alliance’s Rex Patrick said he and Senate colleague Stirling Griff backed the NEG’s goals but their vote would depend on how much the policy brought down power bills. “We would expect on the pricing side for there to be a clear indication of what the savings will be, and that the modelling that generates those savings is released publicly, including all assumptions that were made,” Senator Patrick said.

Senator Griff said the Centre Alliance also wanted a full cost-benefit analysis on the policy to ensure the cost of implementing it did not outweigh its advantages.

Bill Shorten yesterday said Labor was yet to reach a final decision on the NEG, while blasting the “over-hyped” policy and declaring it would not lower household bills. “Mr Turnbull hasn’t got a plan to look after ordinary working people’s energy bills. He just has pretend schemes about whole lots of new coal-fired power stations being built on every corner,” the Opposition Leader said.

The NEG had united backing from the Business Council of Australia, the Australian Industry Group and the Australian Chamber of Commerce and Industry.

“Continuing to play politics is not an option,” said BCA president Grant King. Ai Group CEO Innes Willox said it was essential to “give industry the predictability and the framework it needs” to make long-term investment decisions.

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