Dogs are barking over PM's leadership on energy prices



Prime Minister Malcolm Turnbull during Question Time in the House Of Representatives yesterday.

Dennis Shanahan, Political Editor, 12:00AM August 17, 2018

Malcolm Turnbull is unwilling and unable to say noone from his ministry is going to resign and cross the floor of parliament to vote against his signature national energy guarantee legislation.

What's more, with two Coalition MPs now on the record saying they will cross the floor to vote against mandating the UN Paris emission reduction targets, the Prime Minister has gone from being ready to introduce legislation to making major 11th-hour changes to win over rebellious MPs.

There is also growing discontent with Turnbull's political leadership as ministers are caught in a crossfire of demands that they resign or stay and head off a leadership crisis.

In this increasingly tense atmosphere, Peter Dutton's exposition of the circumstances under which he would resign from cabinet was resented by other ministers and latched on to by Labor.

But the focus remains on the energy legislation, which went from being "ready to go" to a "moveable feast" and threatens to end up looking like a dog's

breakfast as every man and his dog offer up ideas and proposals from price control to "decoupling" from the Paris emissions target.

Labor, which has the draft legislation, is hardening its line against the mandating of a 26 per cent emissions reduction target by 2030 for being "so low" and demanding "more renewables".

Turnbull is fighting on two fronts, caught between Coalition conservatives demanding lower emissions targets and Bill Shorten's Labor demanding higher targets.

If he fails to convince enough Coalition MPs to accept a compromise that lessens emphasis on environmental targets, he has to shift to dealing with Labor, which wants higher targets.

At the last minute, Turnbull is trying to offer changes to stop generators price gouging and address longstanding Coalition concerns about high power prices but there is no sign of a shift on the Paris target, which he wants to legislate. Yet while Turnbull tries to placate MPs over prices, there is a growing, wider discontent over his political handling of energy and other issues, including his response to the by-election losses, an inability to put pressure on the ALP and the selling of the government's tax agenda.

Not enough time was spent earlier to address the concerns of the Coalition partyroom and so avoid what is now a sizeable revolt, as well as the impression of a leader being forced to capitulate to internal critics. MPs are frustrated that he did not act earlier on widespread concerns about energy prices and the advantage of being seen to embrace reliable coal-fired power.

Instead, he left decisive action to the last minute and seems wedded to the idea of being the only nation to legislate Paris targets.