



Turnbull takes heart from the widespread acceptance that things can't stay as they are. Mick Tsikas/AAP

For Malcolm Turnbull, implementing the Finkel plan for energy security – or a credible form of it – is a legacy issue, as well as one that goes to the heart of his prime ministerial authority.

On the basis of the polls, this could well be Turnbull's last term. So his attention must be turning to what he would leave behind for the writers of political history.

Much of Turnbull's prime ministership so far has been consumed with "biffo" politics, a function of a ruthless and effective opposition, a difficult Senate, a bad 2016 election result and, it must be said, his failure to know what he wanted to do and how he was going to do it.

The government can point to its industrial relations laws, childcare overhaul, and cutbacks of superannuation concessions. Still, it has spent little time in the sunny uplands of bold and lasting policy reform. Indeed, a good deal of policy has been driven by negatives, such as the progressive toughening of security laws in response to the terrorist threat.

If the government manages to get its schools package through the Senate next week, it will have put that funding onto a needs basis along proper Gonski lines, which will be a solid reform.

But the Finkel plan is of a different order for Turnbull. Climate change has long been a core issue for him; famously, his attempts to forge a deal with the Rudd government on an emissions trading scheme triggered his 2009 loss of the opposition leadership.

To implement an alternative that still effectively puts a price on emissions might – apart from its policy advantages – be seen by Turnbull as righting the old wrong done to him by his party. The issue would have come full circle.

This week's Coalition partyroom debate on Finkel was something of a shock to ministers, because of the degree of scepticism from MPs. But it wasn't as bad for Turnbull as initial media reports suggested.

Rather, it signalled two things: that Turnbull, as he pushes ahead, must carefully manage his backbenchers – who are focused centrally on the question of affordability – and that compromises on “pure” Finkel will have to be made.

A week after the release of the Finkel panel's report, Turnbull has reason to think he can expect to get the clean energy target (CET) that it advocates through his own side. He takes heart from the widespread acceptance that things can't stay as they are. The issue has become precisely what the plan will look like.

There are many details that will be battled over when the cabinet gets down to considering the scheme. But the central question is the place of coal.

Turnbull accepts that so-called “clean coal” must be able to get on the “clean” side of the CET threshold. He could not hold the line in his ranks if it was excluded.

There are two constituencies within the government that are important in the challenge of keeping the issue on the rails. One is the Nationals. The other includes those in the Liberal Party who are highly critical of the scheme; many (although not all) are hardline conservatives.

Deputy Prime Minister Barnaby Joyce, the Nationals leader, has signed up to the Finkel framework, probably while holding his nose.

The Nationals discussed Finkel on Monday, at a meeting that didn't attract the publicity of Tuesday's Coalition one. Joyce has his party in line.

Joyce is concerned that if new bipartisan arrangements aren't put in place, a future Labor

government will deliver a killer blow to the coal sector.

On the other hand, his fallback position is that if bipartisanship can't be achieved, then the Coalition – especially the Nationals in their areas – can campaign on the claim that Labor wants to shut down the coal industry.

Liberal conservatives, including the vociferous Tony Abbott, have mixed motives in opposing Finkel: ideological opposition to a CET and – in just some cases, most notably Abbott's – personal hostility to Turnbull.

Abbott can do damage to Turnbull on the issue, but (at this point) that damage can be contained. Ministers, including Joyce, are publicly pushing back against Abbott's attacking tactics.

Interesting for insiders will be the position of cabinet minister Peter Dutton, who has emerged as de-facto leader of the conservative pack in the Liberal Party and is a future leadership aspirant.

Dutton and Turnbull, once distant, are now thick as thieves. Turnbull needs to keep Dutton close to protect his leadership (that's why Dutton will quite likely get his homeland security department).

Pressed on 2GB on Thursday about his attitude toward the Finkel plan, Dutton dodged around, saying he agreed with "parts". He said he wanted downward pressure on prices and stability to keep the lights on, but was "agnostic" about how to get there.

Turnbull and Energy Minister Josh Frydenberg will not put a timetable on the government's decision-making on Finkel. Obviously it would be dangerous to risk becoming hostage to expectations.

But there are risks in letting things drag on too long. Momentum is important and it is there now.

Grattan on Friday: The Finkel plan will test Malcolm Turnbull's ability to deliver significant reform

Written by Michelle Grattan, Professorial Fellow, University of Canberra

Excessive delay can play into the hands of critics and troublemakers.

If he is to bed down this legacy, decisions should be made on Finkel before the end of the year, with legislation introduced prior to Christmas.

Michelle Grattan does not work for, consult, own shares in or receive funding from any company or organisation that would benefit from this article, and has disclosed no relevant affiliations beyond the academic appointment above.

Authors: Michelle Grattan, Professorial Fellow, University of Canberra

Read more <http://theconversation.com/grattan-on-friday-the-finkel-plan-will-test-malcolm-turnbulls-ability-to-deliver-significant-reform-79530>