

## Grattan on Friday: Turnbull close to finalising energy package but can he sell it?

Written by Michelle Grattan, Professorial Fellow, University of Canberra

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The Turnbull government can dither no longer, and it knows it. To use the political jargon, it now has to “land” its energy policy very quickly.

With parliament resuming on Monday, the backbenchers are wanting clear lines. With business further confused after the government this week effectively walked away from a clean energy target, it is demanding to know “what now?”

And with an early Queensland election on the cards, the Liberal National Party in that state needs a federal energy policy in place.

The Turnbull government, incidentally, is very worried about its own support in Queensland, a state that will be vital to it at the next federal election. Monday’s aggregated July-to-September Newspoll had the Turnbull government behind Labor there 46-54%: a complete turnaround from the 54-46% lead at the 2016 election.

On Wednesday cabinet’s energy committee was at work on the policy. The committee includes Malcolm Turnbull, Barnaby Joyce, Energy Minister Josh Frydenberg, Finance Minister Mathias Cormann, Treasurer Scott Morrison, and Foreign Minister Julie Bishop. (Bishop was leaving for overseas and so not present. Industry Minister Arthur Sinodinos, also a committee member, is on [sick leave](#) .)

Joyce’s concentration would have been tested at the meeting, with half his mind inevitably on the [High Court hearing](#) that was underway to determine his (and others’) parliamentary status. Still, the Nationals had already had a win on energy, with the clean energy target’s demise.

The energy package, said to involve an “innovative approach”, is set to go to the Coalition partyroom in the coming sitting fortnight, after cabinet considers it. The aim is, if possible, to get it to cabinet on Monday, and the partyroom on Tuesday. Maybe one should add the caveat: assuming no early and adverse High Court decision on citizenship which caused havoc.

Given the watering-down that's been taking place since the release of the Finkel report, which had a clean energy target at its heart, Turnbull shouldn't have much trouble in the partyroom. The dissidents when the issue was discussed there in June were those who didn't like the Finkel plan. Even in its first, relatively halcyon days, the target never had a hope of being implemented in its pure form. It's unlikely there will be a militant group angry at the retreat from it.

The question is whether Turnbull and Frydenberg can sell, outside the partyroom, the policy the government comes up with. That means to the public, who vote, and to the business sector, who invest (or fail to).

Surprisingly, given that one argument for installing Turnbull was that he was seen as a good persuader, the Turnbull government has been poor at communications. In today's 24-hour news cycle we've never heard a prime minister and ministers talking so much, but the message is often messy.

Reflecting on the Hawke-Keating government in his just-published memoir, *Incorrigible Optimist*, former Labor minister Gareth Evans writes that: "Hawke and Keating [were] both outstanding communicators, and Paul, in particular, absolutely remorseless in his determination to ensure that the major opinion moulders knew what we were trying to do, why and how".

Too often this government thinks it can sell a policy or win an argument simply by media blitzing. Its approach tends to be arrogant and ineffective. Keating, when dealing with some really hard policy sells as treasurer, put in an enormous amount of grunt work, including using policy experts on his staff to background the media.

Business will need to be convinced the energy policy is credible and the government is committed to it. But if, as expected, the government is set on a path that will accentuate the differences with Labor, this will deeply disappoint business, which has an eye to the opinion polls suggesting a Shorten government next term is more likely than not.

The public will welcome the policy's emphasis on containing price and ensuring reliability.

But people know appearance is not necessarily reality: the government needs them to believe there actually will be downward pressure on their bills – and that will be a judgement for later. Also, downward pressure doesn't necessarily mean smaller bills.

“Reliability” will be first tested by whether there are power shortages and blackouts this summer. And if there are, who will win the blame-shifting argument?

Some Coalition MPs are worried the government is in the energy space at all, rather than leaving it as a state matter. One says: “We’ve managed to take ownership of the problem – but can we solve it?”

It’s generally thought that when the policy emerges, there will be significant overlap with what Tony Abbott has been advocating, most recently in this week’s controversial speech in London.

Although Abbott goes further than being against a clean energy target – saying for instance the renewable energy target should be frozen, the government should build a coal-fired power station, and the ban on nuclear power should be lifted – there is likely to be enough commonality to present the former prime minister with a dilemma. Does he welcome or criticise where the government finishes up?

There’s general agreement that as far as the Coalition is concerned, Abbott made a pest of himself this week. But suggestions that Turnbull should man up to the man who’s trying to bring him down are shortsighted.

For one thing, it would create a distracting row, just when Turnbull needs the attention to be on what he is delivering.

Second, a substantial number in the Coalition would agree with much of what Abbott is arguing, while disagreeing with what he did. It’s an important distinction.

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One government man puts it more starkly: “Abbott’s support base for what he says is greater than his support base to be leader.”

For Turnbull “the Abbott factor” can be neither managed nor despatched. Individual points Abbott makes should be dealt with, and inconsistencies with his past statements and actions pointed out. But a full-on stoush would only elevate Abbott and be a sign of Turnbull’s weakness, rather than a demonstration of his strength.

Anyway, Abbott is about to have a loss, on an issue he has made one of his own. All the signs are that the same-sex marriage ballot will deliver a strong “Yes” vote. That will be seen as a blow to the former prime minister and a good outcome for Turnbull.

*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.*

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