

Research that matters.

TITLE: Greens under Christine Milne put protest ahead of progress

AUTHOR: Richard Denniss

PUBLICATION: The Canberra Times

PUBLICATION DATE: 25/10/14

LINK: http://www.canberratimes.com.au/comment/greens-under-christine-milne-put-protest-ahead-of-progress-20141024-11b7me.html

You'd never know it from their behaviour, but the Greens hold 10 seats in the current Senate compared to the Palmer United Party's three.

Their current strategy of voting against virtually everything the Abbott Government announces, including things they actually support, has made them largely irrelevant since the last election. It is hard to think of a more breathtaking act of political obstructionism than the Greens' refusal to support the reintroduction of petrol excise indexation.

The Greens have campaigned for a decade for taxes to be used to discourage fossil fuel use. The Greens wanted the carbon tax to apply to petrol. The Greens want to spend more money on essential services. So it is unbelievable that they have repeatedly refused to support the Abbott Government on this budget measure.

Obstructionism can play an important role in democracy when it helps to highlight the existence of alternative priorities or solutions but when parties vote against legislation because of its author rather than its content, the only thing that is highlighted is hypocrisy and powerlessness.

There is nothing wrong with senators voting against legislation they oppose, and there's plenty wrong with the Abbott Government's budget measures, but voting against measures that they support just to make a political point suggests that the Greens under Christine Milne are not just a protest party, but a party that is willing to put protest ahead of progress.

The Greens' 10 votes in the Senate mean they can ensure the passage of any legislation that they and the government can agree upon. The Greens' are the only block of votes that are at all likely to support a "hip pocket" issue like higher petrol taxes. And, in turn, the Greens are in a prime position to negotiate other policy outcomes, such as protecting the renewable energy target in exchange for supporting the reintroduction of fuel excise indexation.

But, under the current leadership at least, they seem determined not to.

In the 14 years since John Howard decided to scrap the indexation of fuel excise, the Treasury has missed out on about \$35 billion in revenue. That's enough to fund the entire rollout and operation of the National Disability Insurance Scheme through to 2020. And that lost income stream rises every day that the Senate refuses to restore it. Sadly, and expensively, it would seem that if indexation is not reintroduced this term, it may be another decade, and tens of billions more in lost revenue before one of the major parties is brave enough to try again.

Joe Hockey hasn't done himself any favours when it comes to petrol indexation. His decision on budget night to rhetorically link the additional revenues from fuel excise to road funding predictably enraged the block of votes he would need to pass his measure through the Senate. And his belief that poor people don't drive cars demonstrated that the only thing Hockey understands less than the Senate is the lives of Australians earning low or fixed incomes, like pensioners.

But, as with most of the Government's budget measures, there has been a significant shift in both policy and rhetoric since budget night. Despite Tony Abbott's pre-election promise that he would "never" do a deal with a minor party, his Cabinet has been busily and repeatedly doing the opposite.

Not only has the Government dropped the pretence that all the additional funds from fuel excise indexation would go into roads, it has signalled a willingness to invest some of the proceeds into light rail. Any other minor party would call this a win. But the Greens have remained resolutely determined to vote against their own platform.

Of course, politics isn't just about taking opportunities. It is mostly about making them. If the Greens were serious about achieving their priorities, such as increased public and private investment in renewable energy, they could be the ones putting options to the Government. Hockey and Mathias Cormann are desperate for revenue and, despite Dick Warburton's best efforts, renewable energy remains highly popular in the electorate. It's cheap, clean, and it creates jobs. In fact, more Aussies are employed installing solar panels than in coal-fired power stations.

The popular support is there for the Greens. So why not push for an expanded RET for 2030? Why not demand that some of the additional fuel tax revenue be used to steadily increase the unemployment benefit?

The renewable energy industry has grown rapidly since the Rudd government introduced the 41,000GWh target back in 2009. But far from signalling Australia being "open for business", the Abbott Government's policies are sabotaging investment in the renewable energy industry. The legislated target remains in place, but companies are understandably reluctant to make new investments when the dark cloud of Abbott's climate scepticism and Warburton's recommendations to scrap the scheme hang over their heads. Apparently, the Abbott Government believes uncertainty is only bad for business if it affects mining companies.

The Greens' 10 votes in the Senate and a willingness to reintroduce petrol indexation could deliver significant benefits to the renewables industry, Australia's emissions profile and the budget bottom line.

Unless the Greens expect to win control of both Houses of Parliament at the next election their only chance to implement parts of their policy agenda is to negotiate with other parties. They were willing to support the ALP's climate strategy even though it revolved around a 5 per cent emission reduction target. Today, they seem determined to vote against legislation introduced by the Abbott Government even when they support it.

Of course, it's not too late for the Greens to change their minds. And, with any sense, that's what they should do. But if they end up flipping on their opposition, their decision to categorically state the reasons they were opposed to reintroducing petrol indexation in the first place make about as much sense as Abbott saying he would never do a deal with a minor party when he is in coalition with one.

Perhaps the Greens are simply going to stick to their obstructionism and use their crucial seats in the Senate to simply sit in judgment of the deals made by others. But while most of us can do little more between elections than wait and hope the next lot do a better job, Milne has the power to offer the Government the revenue it really wants in order to save the environmental policies she says she really wants. Let's hope she uses it wisely.

Richard Denniss, an economist, is executive director of The Australia Institute.