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Revealed: the Deep Green State

By Alan Moran

A story in the [Guardian](#) demonstrates the impotence of government against the Deep State machinery that it nominally controls.

This involved an attempt, in line with government policy, to divert money from the Emissions Reduction Fund to less harmful activities than efficiency-undermining promotion of green energy that it normally funds. The case under review was an attempt by Delta Energy to get some \$14 million support for refurbishing its Vales Point plant, an outcome that would extend the plant's life (and incidentally reduce its greenhouse gas emissions). The Guardian notes that "energy baron" Trevor St Baker is a part owner of the plant.

The Emissions Reduction Fund was set up by the Abbott Government following its election in 2013. Its Environment Minister, Greg Hunt, was an avid promoter of "direct action" which involves buying out firms' greenhouse gas emissions rather than reducing emissions by taxing coal. In fact, buying out emissions simply funds canny firms who can offer a good story, while providing negligible effects on total emissions, since the cashiered production is replaced by that of other suppliers.

The Coalition Government established the fund as a \$2.55bn facility. A still gullible Tony Abbott was persuaded that this was a worthwhile sop to a green lobby that was smarting over his revocation of the Gillard Government's Carbon tax. The fund [claims](#) to have already contracted 477 projects delivering over 193 million tonnes of emissions reductions. Its projects include subsidising lighting and reducing beef and pig methane emissions. But most funding has gone to planting trees and, I kid you not, "managing bushfires (sic) to avoid high intensity fires".

There is a pattern of conservative governments setting up agencies to deliver policy outcomes but either locking in an inflexible process that cannot be subsequently modified or failing to establish the appropriate machinery from the outset. An example of the latter is the \$1 billion [Grid Reliability Fund](#), whereby [Energy Minister Taylor](#) sought to divert soft loan subsidy funding of the Clean Energy Finance Corporation to reliable new (and hence lower emissions) coal generation. But, of the 12 projects recommended for further consideration by the panel he set up, only one was a coal project. And that will eventually be killed.

The fact is that the bureaucracy appoints its own gatekeepers while ministers pretend to be in charge with portentous speeches. The committee set up to guard public spending through the Emissions Reduction Fund is headed by an environmental activist, ANU's Professor Andrew Mackintosh (who was recently [congratulated](#) by the Environment Department for also being appointed as a reviewer of the Commonwealth's expansionist Environment Protection and Biodiversity Act). Its other members also comprise environmental activists from within academia and the bureaucracy, and are supported by

the architects of the infamous National Energy Guarantee, the Climate Change Policy Branch in the Department of the Environment and Energy.

Minister Taylor is attempting to change the decision-making body as part of an additional funding package and has appointed a new “expert panel” for advice. The tentacles of the Deep State however run deep. Even though the head of the panel is Grant King (previously Origin Energy and AGL), its other members are Susie Smith, CEO of the [Australian Industry Greenhouse Network](#), the aforementioned Prof Andrew Macintosh, head of the [Emissions Reduction Assurance Committee](#), and David Parker, the [Clean Energy Regulator](#).

Plus ça change, plus ça la meme chose

The Deep State even has its own reliable reporters like Adam Morten of the Guardian, the source of the latest development, to whom they can selectively leak, demonstrating that they are carrying the flag of deindustrialisation and that no political master can touch them.

As a nation we are throwing out of work a million people from activities that provide consumers with the products and services they want. But the jobs remain of those – inside and outside government - dedicated to undermining the economy’s efficiency.