

Unlawful reallocation of clean energy investment by the Coalition

By John Ward

8 October 2016



(Image via acfonline.org.au)

[John Ward](#) discusses the Turnbull Government's misuse of Clean Energy Finance Corporation funds.

THERE IS NOW clear evidence of misleading and deceptive conduct by members of the Coalition Government.

This crookedness needs to be exposed.

The sectional interests of our government ministers' corporate donors are taking precedence over the national interest and the sustainability of financing for the renewable energy industry.

In 2015, then treasurer [Joe Hockey](#) and finance minister [Mathias Cormann](#) directed the [Clean Energy Finance Corporation](#) (CEFC) to exclude investments in household and small-scale solar from the \$10 billion fund in the future. The draft investment mandate [called for](#) 'mature and

established clean energy technologies ... including wind technology and household small-scale solar' to be excluded from the Corporation's activities.

Interestingly, the authority to make such changes can only come from the Parliament, not the executive. The Executive Council cannot change an act of parliament. The Parliament also authorises the government to spend public money — not the other way around.

Any change, such as the revocation of a part and/or a new investment mandate to the [Clean Energy Finance Corporation Act 2012](#), may only be modified by amendments made, requested or agreed to by the senate. [Stephen Keim SC](#) has [provided advice](#) to environmental groups about the government's ability to direct the CEFC. He [said](#) the government had the power to put in place an investment mandate but it had to "tread a fairly thin line".

During 1998, [American Petroleum Institute](#) (API), the USA's largest oil trade association (member companies include BP, Chevron, Conoco Phillips, Exxon-Mobil and Shell) [planned a "roadmap"](#) for a climate of deception, including a plan to have "average citizens" believe that the realities of climate science were vague and uncertain.

Coalition "gets recycling" turns Clean Energy Finance Corp into election slush fund [#Parakeelia](#) <https://t.co/osNOd2IYV2>

— sue mills (@ChangeMillieu) [June 29](#),

[2016](#)

Australians have been subject to fraudulent and misleading representations regarding climate change over the past ten years by the people we elected.

The direct effect of the CEFC responsible ministers acting as *de facto* or shadow directors of the CEFC has been to create the perception that Australian policy support for clean energy is uncertain or diminished.

These are the same negative outcomes envisaged by the American Petroleum Institute's (API) 1998 campaign.

A third entity involved in this deception is lobby group the Institute of Public Affairs ([IPA](#)). The IPA was founded by a conglomerate of like-minded groups at the same time as the Liberal Party formed in 1943-44, after the break-up of the United Australia Party. The policy agenda of the Institute of Public Affairs (IPA) has been linked directly to Coalition policy ever since.

To put these linkages in context, the law frowns on the abuse of authority by any elected official, such as to act with the intention to dishonestly gain a benefit for another person and/or cause detriment to another. This behaviour is defined in law as "[mifeasance](#)". In most cases, the essentials to bring an action of mifeasance in public office are: that the office-holder acted illegally; knew he/she was doing so; and knew or should reasonably have known that third parties would suffer loss as a result.

The last Parliament (2013-2016) twice declined to allow the *Clean Energy Finance Corporation (Abolition) Bill 2013* to become law. Subsequently, the Executive arm of the Coalition Government had tried for two years to change the CEFC investment

mandate.

Recently, while in caretaker mode, the Coalition created a different investment mandate directive (in order to appear to the electors to have authority) to modify the intent of the CEFC Act, without returning to the Parliament (which, by the way, no longer existed). So, apparently, they were preparing to seek such an alteration to the CEFC Act in the (next) 45th Parliament.

How the Coalition is using clean energy financing as an election slush fund <https://t.co/6h50rWrtYz>

— lyndel darling (@lyndeldarling)
[June 26, 2016](#)

During the election campaign, Prime Minister Turnbull [purported to have the authority](#) to redistribute \$1 billion from the CEFC to fund his new [Clean Energy Innovation Fund](#) (CEIF).

\$1 billion was also set aside to finance a "[Better Cities](#)" fund announced two thirds of the way through the campaign.

And a further \$1 billion "drawn" from the "Green Bank" [to clean up](#) the Great Barrier Reef (\$0.6 Billion) was mentioned in an advertisement in *The Australian* newspaper for jobs to deliver higher water quality in farm runoff, in what looks like a subsidy to sugar / ethanol industry.

\$100 million was [set aside](#) to [prevent the closure](#) of the [Whyalla Steelworks](#) in SA and the University of Tasmania's northern campus in Launceston received a [pledge of \\$150 million](#) to be extracted from the

CEFC.

These monies from [ARENA](#) are part of the proposed omnibus legislation. Prime Minister Turnbull is fundamentally saying to Tasmanians, *you can have an expanded northern campus or a renewable energy industry, but you cannot have not both.*

Malcolm promised money he cannot access, with the total pledged so far being \$5.6 billion. Cabinet Ministers have conspired to remove all funds from the CEFC by pledging the total amount left in the CEFC account to other Coalition causes.

Prime Minister Turnbull, Deputy Prime Minister Joyce, Former Prime Minister Abbott, Ministers Pyne, Hockey, Cormann and Hunt are attempting to falsely convince the public that the Cabinet can re-purpose and re-direct legislation without going back through the Parliament. These changes to the CEFC Act 2012 are still to be legislated.

Labor trumps Coalition on climate and clean energy, forces Turnbull into Abbott-era scare campaign on costs

<https://t.co/c3xnmOzHYI>
[#solar](#)

— RenewEconomy
(@renew_economy) [April 27, 2016](#)

Let's consider the limits the *Clean Energy Finance Corporation Act 2012* imposes on the responsible

ministers' mandate.

[Section 65](#) states:

The responsible Ministers must not give a direction under subsection 64(1):

(a) that has the purpose, or has or is likely to have the effect, of directly or indirectly requiring the Board to, or not to, make a particular investment; or

(b) that is inconsistent with this Act (including the object of this Act).

The object of Act is to facilitate increased flows of finance into the clean energy sector.

Joe Hockey and Mathias Cormann attempted to skirt around the law. If this gross ideological interference had not happened, the growth and jobs in the clean energy industry might have delivered some real balance to the downturns in other parts of the economy.

The Coalition Government is in contempt of Parliament. Its ministers have betrayed our trust. The Coalition and the IPA are still using the same script and still following the IPA's line of climate deception.

There are strong connections between the

API and the IPA's
disinformation and the
Coalition's campaign aims.

The links are there. The
wrongs have been done.
Let's promote public debate
on this matter.

Coalition says it will
seek more cuts to
clean energy
programs
<https://t.co/mNKS9tG8t6> #auspol

— RenewEconomy
(@renew_economy)
[September 14, 2016](https://t.co/hfOOGp4wIF)

Why
Coalition
climate
scare
campaign is
not credible
and makes
no sense
<https://t.co/7oxUuEHwDH>

— Dave
Donovan
(@davrosz)
[April 28, 2016](https://t.co/7oxUuEHwDH)

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[May 4, 2016](#)

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