

IPA MEDIA RELEASE

Institute of Public Affairs | Australia's leading free market think tank

12 October 2016

SENATE COAL CLOSURE COMMITTEE A DANGEROUS POLITICAL STUNT

The decision by the Greens and the ALP to establish a Senate Committee to investigate the closure of Australia's coal-fired power stations is a dangerous political stunt that may have significant ramifications, according to free-market think tank the Institute of Public Affairs.

"You expect this kind of political stunt from the Greens, but the support of Labor is both surprising and alarming," said Brett Hogan, Director of Research.

"Coal is not the enemy of progress – but progressives are proving themselves to be the enemies of coal."

"Coal is the lowest cost electricity provider in the Australian market, generates around 70% of Australia's power, and is our second biggest export earner, worth \$37.9 billion in 2014-15."

"It is also responsible for 41% of the world's electricity and according to the International Energy Agency it will still be responsible for more of the world's electricity than any other source in 2030. Demand for coal in South East Asia is also expected to triple between now and 2040. "

"It is easy for politicians to drive or fly into regional communities, and promise the world if a mine or power station closes or does not proceed. But there is no substitute for the real jobs that flow from industries that are competitive in their own right."

"The continuous drip-feed of negative commentary from policymakers, escalating renewable energy targets and decisions like the tripling of the tax on brown coal by the Victorian Government in this year's State Budget are creating an environment where private coal-fired power station operators will be asking themselves what is the point of going on."

"Electricity systems exist to provide, safe, reliable and affordable power to consumers and to businesses. The role of government should only be to support competition and private sector innovation."

For media and comment: Brett Hogan, Director of Research, Institute of Public Affairs, on 0407 273 884, or at bhogan@ipa.org.au

Or contact Evan Mulholland, IPA Media and Communications Manager, on 0405 140 780, or at emulholland@ipa.org.au