

# We can't afford GREENS 'success'

**H**ERE'S one group of people who should be cheering the closure of Ford, Toyota, and Alcoa's Port Henry aluminium smelter.

Heavy industries like those use a lot of electricity. That electricity comes from burning coal, mostly brown coal, which throws off enormous amounts of carbon dioxide — the stuff the previous government used to call "carbon pollution".

The wonderful thing about closing down car plants and smelters is all the pollution it will prevent. This is a great step forward in the battle to save the planet.

But they're humble folks, those Greens. They don't boast about their successes. Businesses that needed cheap power to stay profitable are becoming uncompetitive and closing. The carbon tax is working the way it was intended: taxing heavy emitters out of business. The carbon tax is highly effective. And



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the Greens must be proud of the results.

If you want to see what a place looks like after years of those policies, visit Tasmania.

Tasmania produces the cleanest energy in the country from its hydro-electric schemes. Since hydro works off water, which has to be collected in dams (another Green no-no) there isn't that much of it and it's pretty expensive.

That means Tasmania has de-industrialised. You won't find car workers in Tasmania. But it is a clean, green state. Per head of population, Tasmania generates much less "carbon pollution" than New South Wales or Victoria.

Tasmania also has the highest unemployment of any Australian

state. The trouble with all those eco-jobs is that there are not many of them. Green jobs are mostly jobs paid out of other people's taxes. Unemployment would be much higher still if Tasmania hadn't perfected the art of extracting financial subsidies from the rest of us. Tasmania sends 12 senators to the Commonwealth Parliament, the same as every other state. But since the population of Tasmania is so much smaller, a Tasmanian senator needs about one-tenth of the votes a Victorian senator needs to get elected. A very small group of Tasmanian voters has been sending Greens like Bob Brown and Christine Milne to Canberra for decades with the aim of doing to the whole country what they have done to their own state: to de-industrialise it.

But there is one big difference. No matter how much damage Tasmania does to itself, it will always be able to call on federal subsidies to cushion the blow. It has political clout beyond its numbers embedded in the



Australian Constitution. It gets back a much bigger share of the GST pie than it pays in. It gets make-work schemes and call centres and subsidised roads out of national taxes.

But if the Greens succeed in giving the Tasmanian treatment to the rest of the country, there is no great international benefactor that is going to step in to give Australia money to save it from itself. Tasmania may be cocooned inside a Federation but the nation is not cocooned by anything or anyone. It is on its own.

**A** STATE election is being held in Tasmania this weekend. The Greens-Labor government of the past four years is on its last legs. Tasmanians look like they will elect a government that wants to get the state out of its hole. But at the national level the Greens and Labor are still working hand in hand to defend the carbon tax that is ripping apart employment in the manufacturing

industry. One day the unemployed workers of the manufacturing plants might turn around and realise how badly they were betrayed by the people who claimed to be "Labor".

If Federal Labor wants to see what happens when a party cannibalises its base, it can look at the poll numbers of Tasmanian Labor Premier Lara Giddings, pictured above. She is polling barely above 20 per cent, not far in front of her junior coalition partner, the Greens, who are about 18 per cent. So much for a tax that is highly effective.

Then there is the mining tax. When it was first introduced it was promised to raise more than \$6 billion this year. The usual crowd of those who want the government to spend more lined up to cheer it on: Labor MPs, academics, progressive archbishops and so on. All of the expected proceeds were allocated to various spending projects.

The trouble is that it didn't work. It didn't have the slightest

chance of working. This year it will be lucky to raise one-tenth of what Julia Gillard promised it would when she announced it in July 2010.

All that effort, all that compliance and nothing to show for it. I introduced a new tax once. All that effort, all that compliance but at least it raises \$50 billion each year. The mining tax has got to be the biggest tax failure of the past 50 years. As I predicted at the time, there was the dog with no bark, the pub with no beer and now the tax with no revenue.

One tax should go because it is hopelessly ineffective. The other should go because it is highly effective, just effective towards the wrong results. The Australian tax system needs radical improvement: lower company tax rates, lower marginal income tax rates. If we get rid of the bad stuff perhaps we can then get on with some of the important business.

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