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### OPINION

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# Letters: Energy, super, Israel and China Energy Minister responds

Danny Price's article ("[Sims' electricity ideas will force prices up not down](#)" May 16) is as bizarre as it is wrong. His claim that the National Energy Guarantee provides 'little prospect of a decline in prices' contradicts his own modelling, for it was his firm, Frontier Economics, that showed wholesale prices would reduce by 23 per cent under the NEG and that households would benefit by on average \$120 a year.

It is one thing for his byline to acknowledge that his firm recently produced a report for Gentailer AGL on vertical integration, but it is another to dismiss the benefits of increased competition and transparency that will obviously flow from the Energy Security Board's proposed changes to the contract market under the NEG.

Price also claims I have 'confessed' that the regulator 'has broken the law on more than 30 occasions in recent times'. This is complete rubbish. If Price is referring to the now abolished Limited Merits Review process where networks had successfully appealed against the interests of consumers 31 times, then there is no apology. While the lawyers, consultants and the networks did very well for themselves out of this process, on not one occasion did Australian families and businesses benefit.

*Josh Frydenberg*

*Minister for the Environment and Energy*

## Federal energy policy dithering

The facts about relative costs of energy generation, and the response by business to those costs, come as no surprise to anyone who has been half awake over the past few years. More

surprising is the slowness of the Turnbull government to recognise how fast [the transition from fossil fuels to renewables is occurring](#). The Coalition proclaims it is the party of free enterprise, yet it seems ill-informed about innovative businesses that are driving this rapid transition, supported by some state governments.

The surprise is even greater when the federal government disputes or ignores the advice from its own appointed experts, chief scientist Alan Finkel, Australian Energy Market Operator, Clean Energy Regulator, and the Australian Energy Security Board. Instead it bounces from one thought bubble to the next: the discredited 'Direct Action', propping up the decrepit Liddell coal power station, new coal power stations, Snowy 2.0, controlling gas supply companies, and so on.

There is universal agreement that we need to achieve an energy management regime that is reliable, affordable and environmentally sustainable but, inexplicably, Federal Energy Minister Josh Frydenberg continues to blame renewables for power outages and excoriates state governments for taking effective action in the face of federal policy dithering.

*William Chandler*

*Surrey Hills, Vic*

## **Super changes protect Australia's most vulnerable workers**

Re [Jennifer Hewett's May 14 column](#) and [Martin Fahy's "Changing super cover means less insured for a higher price"](#) (May 13).

The intense lobbying by the superannuation industry that has ensued as a result of the budget's super changes highlights the enormity of what's at stake. If, as proposed, MySuper members under age 25 and those with account balances under \$6000 must deliberately opt-in for life insurance, Treasury estimates a 35 per cent drop (roughly \$3 billion) in premiums collected by the industry, which may see group premiums jump 30 per cent.

The prospect of super fund members paying for the actual cost for cover without the cross-subsidy from young, often part-time, workers has the industry reeling. But the community rating system in group life is completely unfair to the nation's most vulnerable (the young and less well off) especially given the mandatory nature of super.

Even if premiums equate to "only an additional cup of coffee" a week, as put by Jennifer Hewett, young Australians should not be forced to pay for cover they don't want or need, and often can't claim on, to subsidise the cost of insuring older, less healthy, full-time employees.

Under the proposed changes, the onus will be on super funds to engage with young members and demonstrate value, if possible. Alternatively, workers can seek more competitive personal insurance that meets their individual needs.

For retail insurers who have had their policy terms and premiums unfairly compared against group life for too long, the budget's measures will go some way to creating a more level playing field. That said, they still don't go far enough. Life insurance inside super should be optional for all members. A system that requires all workers to consciously opt-in for cover would encourage more people to seek advice around the type and level of cover they need to ensure that they're adequately protected.

*Simon Swanson*

*Managing Director ClearView Wealth Limited*

## **Arabs reject two-state solution**

I was appalled by the many articles and even the cartoon in Wednesday's paper that insinuate that [US President Donald Trump's relocation of the American embassy to Israel's capital](#) signals the death of the so-called "two state solution", and that doing so will greatly upset Arab states.

Clearly your reporters (and cartoonist) need a refresher course in history.

An elementary gleaning of Wikipedia on the topic will inform them that the November 29, 1947 UN Partition Plan of (British) Palestine into a Jewish state, an Arab state and the 'special status' to be accorded to Jerusalem was accepted by the Jews and rejected by the Arabs. The Arabs at first rejected it in words and then with rifles.

The fact is, since 1947 the Arabs have consistently scorned a two-state solution and instead have yearned for one state. Not a state besides Israel but a state in place of Israel. The 23rd Arab state and the 58th member of that bright beacon of liberal Western values, the Organisation of Islamic Cooperation.

*Jonathan J. Ariel*

*Darling Point, NSW*

## **Peace forever elusive**

Whatever the pros and cons of the conflict between the Palestinians and Israelis, the simultaneous celebrations in Jerusalem of the transfer of the US Embassy, [and the deaths of 60 Palestinians and grievous injuries suffered by over 2000 Palestinians](#) protesting at their incarceration in the Gaza Strip, Trump and his acolytes including his daughter and son-in-law should hang their heads in shame.

Equally to blame of course are the Palestinian leaders who are prepared to use their constituents as cannon fodder in the ongoing dispute between the parties. One is drawn to the inescapable conclusion that the protagonists on both sides are more interested in their own self-aggrandizement than finding a peaceful solution.

*Greg Angelo*

*Balwyn North, Vic*

## **We're not a subsidiary of China**

I agree with [Geoff Raby's statement that Australia needs a foreign minister](#) who is steeped in history and geopolitics.

The present ambitions of China in becoming a big influence in the Pacific reminds me of Japan in the 1930's -- a resource hungry country that was building up its military at a rapid rate. Also a country that was not averse to saying one thing and then doing the opposite.

In 2018 however, the situation with China is far more complex than with Japan before the Second World War. Successive Australian governments and private organisations have sold strategic assets to China (e.g. my local electricity network company is owned by China Light and Power, a Chinese state-owned organisation) and the Australian people have allowed successive Australian governments to maintain high levels of immigration from China.

We need a government who can foster good relations with China without Australia become another "fully owned subsidiary of China".

*John Owens*

*Berwick, Vic*

## **China shows lack of respect**

China's silent financial and strategic expansion into some of our neighbours should be of concern to Australia ("[Secret US warning of China 'debt trap' on Australia's doorstep](#)", May 14). The reason for that is the way China has commandeered and militarised the man-made islands in the South China Sea, ignoring everyone including a decision of the international court.

That lack of respect for the rights of others should be an ominous sign for those nations accepting Chinese financial largesse. Whilst nothing can be done about that, the nations respecting freedom of navigation laws and dispute China's claim to the man-made islands in the South China Sea should take a very firm stand. Rather than wait until it is too late, nations should combine and draw a line in the sand – if necessary with diplomatic and economic sanctions to start with. The alternative of doing nothing risks the issue becoming totally unmanageable.

*Michael Schilling*

*Millswood, SA*

## **A silent invasion**

John Kehoe's revelation [that a report warning of China's 'debt trap' comes hard on Clive Hamilton's \*Silent Invasion\* publication](#) and is a sharp reminder that politicians, big business and higher education institutions are especially vulnerable when substantial financial offerings are on hand.

The Chinese have donated millions of dollars to both major political parties despite ASIO warnings of the risk involved. These warnings have nothing to do with xenophobia. Non-democratic states play by different rules. Kehoe mentions China's 99-year lease on Sri Lanka's port of Hambantota. What about its 99-year lease on the port of Darwin?

*Frank Carroll*

*Moorooka, Qld*

## **Director quality has matured**

Re "[AMP ruckus a turning point for better boardrooms: Diane Smith-Gander](#)", (May 16)

There has been some concern expressed recently about the quality of people being elevated to the boards of large corporations. Even the most mediocre director of today may, however, derive some comfort from the fact that he or she is likely doing a better job than the 3rd Marquess of Bute did at the Cardiff Savings Bank.

In 1848, the bank saw fit not only to appoint the Marquess to their board of directors, but to install him as the bank's president — despite the Marquess, who by a happy coincidence was also the previous president's son, being about six months old at the time. The Marquess attended a single meeting in 1869, but never bothered to attend another (or indeed read any of the associated paperwork) until the bank was wound up in 1892.

*Daniel O'Neil*

*Footscray, Vic*