

Time for a reality check in climate and energy policy

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Scott Morrison, for good or ill, has vowed repeatedly that Australia will meet its Paris Agreement 2030 CO2 emissions reduction commitment “in a canter” and, it seems, we will.

The fact this can be done by using credits from previous cuts that more than met the country’s Kyoto Protocol targets is neither here nor there. If the Prime Minister and the nation are committed to meeting their obligations under an international agreement and they do so under the rules of that deal, who can complain?

Well, the Labor opposition, the Greens and sundry other climate activist groups, of course. They point out that by 2030 the use of credits will mean national emissions will be cut by 7 per cent in real terms from 2005 levels rather than 26 per cent, and that the path to that result will mean an increase from current levels.

There are many moving parts in this debate, from arcane rules to the inherent unpredictability of forecasts that must factor in economic growth, energy use and technological trends more than a decade in advance. So it would be foolish to place too much store in speculative figures. Suffice to say the Coalition is committed to reducing emissions only as much as it needs to in order to meet the Paris commitments, whereas Labor wants us to reduce emissions further so that we make the targets without recourse to the credits we have earned. Indeed, the ALP has promised to almost double the nation’s target anyway, from 26-28 per cent to 45 per cent — presumably without using credits.

This is a debate Mr Morrison ought to welcome. Opposition climate change and energy spokesman Mark Butler proudly proclaims that Labor will make climate action a priority if it wins government. He says the “vast majority of Australians” are “crying out for desperate action on climate change” and that Labor will deliver.

It is important that the implications of this position are examined. It is vital that the government enjoin this policy contest rather than shrink from it. In the interests of business pressures, cost-of-living stress on families and our economic competitiveness it is crucial that we limit the additional impositions on our energy and other costs rather than exacerbate them.

Mr Morrison and his frontline ministers must explain this in stark terms: they want to minimise the costs of climate action and Labor has a plan for radical action regardless of the costs.

The most crucial statistic in this discussion is one that is seldom raised. The latest figures released to coincide with this month's climate summit in Poland revealed that global carbon emissions rose by 1.6 per cent last year (they grew by significantly more than Australia's entire annual emissions) and will jump another 2.7 per cent this year (more than double our annual emissions). In other words, while this nation has turned its energy system into a disjointed, unreliable and expensive mess to reduce carbon emissions, there has been no environmental benefit for the planet because emissions have continued to rise dramatically. Given all this, it is reasonable to argue that by meeting its Paris commitments Australia is doing too much. It is entirely unreasonable to suggest we are not doing enough. Those who argue that global warming is a looming crisis — if they are interested in science and facts — can only conclude the crisis is escalating despite our costly efforts. Yet they argue to double down on this futility.

This is reckless. NSW Energy Minister Don Harwin has joined this chorus, attacking Canberra for not embracing his target of reducing his state's emissions to a net zero position by 2050. Mr Harwin, who seems more closely engaged in his arts portfolio than his energy duties, would be better served focusing on the cost and supply consequences that will flow from the closure of the Liddell coal-fired power station in 2022; an event hastened by his government's sale of the plant for a pittance.

Energy has long been a state responsibility and now, largely through climate interventions, the federal government is intimately involved. Both levels of government need to concentrate on price and supply and realise that, for good or for ill and based on science and facts, their initiatives cannot and will not have a discernible impact on the global environment.

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