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A conservative path to net zero

Our journey as a people towards achieving a net zero carbon future means being prepared to overcome great challenges not only technological but also cultural.

As conservatives we need to remind ourselves that many of our conservative thinkers of the past were mindful of the need to have a respectful relationship with our environment. Concern for the environment should no longer be viewed as heresy and a restraint on growth.

With this in mind, we must endeavour to embark on the challenging task of transitioning our economy, while retaining the best of capitalism.

Our need for a roadmap that we can communicate to the electorate was made very clear following the result of the 2022 Australian federal election. Our campaign did not focus on our achievements in protecting the environment nor did it communicate any passion for the same. In certain inner-city seats, this was one of the issues that aggravated the electors.

To be fair the Liberal-National Government did move slowly in the right direction on climate change, but there is more work to do to convince electors we are committed. The commitment to a 2050 net zero target was a commendable stride toward climate action, aligning us with global partners.

Although this was an important step forward, we were not bold enough in advocating for our associated policy solutions nor defending our considerable achievements.

The commitment to the target was perceived by the electors as a reluctant and maybe even hesitant adoption of international norms. Consequently, they did not reward us for it at the polling booth. Despite our achievements in reducing emissions, pioneering residential rooftop solar installations, and advancing of recycling technologies, the electors sensed that our heart was not really into finding solutions to combat climate change.

By contrast Labor are far more comfortable speaking on environmental matters and establishing their credentials in the public discourse. Now that Labor have formed a government, they are seeking to achieve our targets by increased government intervention because of their distrust of the markets. Their initiatives have the

potential to have adverse effects on the economy and ultimately fail to achieve any real reductions in our nationwide emissions.

Conservatives in Australia find themselves at a pivotal juncture. Only a conservative viewpoint can ensure that the path chosen to achieve a net zero future is the correct one and doesn't burden future generations. We cannot leave the left of the political spectrum to impose their foolish approaches on our communities.

We risk remaining in opposition until our resolve to tackle the effects of climate change is perceived as real. We must develop policies that promote economic prosperity and employment opportunities in conjunction and because of environmental stewardship.

As the Opposition, we must offer a sensible and tangible alternative path for the Australian people. We should not seek to deny the prevailing reality or to argue against the pursuit of net zero. Instead, we must leverage our reputation for practicality and effective problem solving. We must inspire confidence that our emission reduction journey is not only realistic but does not impose an unfair burden on those struggling in our communities.

The Labor Government has announced a 43% emissions reduction target by 2030. This is greater than what Liberal-National Government took to the election.

Regrettably, the current Government lacks a credible roadmap capable of realising such a drastic reduction within seven years. The Labor Government's own statistics from last year's climate change statement highlight their impending failure to meet this target.

It is our responsibility to outline a distinct vision for a net zero Australia—one characterised by robust employment opportunities and strong economic growth.

The potential for decarbonisation is maximised when we harness market forces and incentivise businesses to develop low-carbon technologies. Our market has already embarked on this path, encouraged by opportunities locally and especially internationally. Investors have been buoyed by achievements such as record rooftop solar installations, support for clean energy start-ups and collaborative efforts with industry players to facilitate the gradual phase-out of coal-based energy.

This is not to suggest that there is no role for government other than certain policy setting and legislating the rules of the market. It is a long held conservative view that markets are not perfect and can fail. Government intervention will be needed to create and support nascent industries. Rather than debate whether climate change is real, conservatives should be debating the level of government intervention and the best way to cease the same. It is always easy to spend money. It is so much harder to stop spending it in a modern democracy dominated by social media.

Nowhere is the imperative for a roadmap so clear than in the Australian energy sector, which continues to account for a substantial portion of Australia's emissions.

While Australia was one of the world's foremost liquefied natural gas (LNG) exporters in 2021, the subsequent surge in gas costs due to global supply disruptions has underscored our vulnerability. A nation with abundant gas reserves found itself grappling with shortages and potentially leaving Australians unable to afford heating during winter months. This vulnerability, accentuated by the global nature of the gas market, demands a renewed emphasis on energy sovereignty.

Diversifying our energy portfolio and reducing dependence on gas and fossil fuels has now become an imperative. At the same time, we must be mindful that our LNG exports are assisting other countries

to reduce their emissions until new technologies become available to replace the need to exploit fossil fuels.

Reducing dependence fossil fuels requires efforts to minimise gas usage for heating, which triples during winter compared to summer. Not all initiatives need to be complex. For example, it is important to seek to improve home insulation and encourage the purchase of energy efficient appliances. Policy-setting to encourage price signals will optimise energy usage and discourage waste.

The reduced role of coal in the energy landscape mandates a pivot toward renewable energy, buttressed by proven technologies such as pumped hydro, geothermal and nuclear power. It was the former Coalition Government that created an environment which enabled investment in renewables to dramatically grow. This resulted in around \$35 billion in investment since 2017 with renewables accounting for 30% of our electricity production in 2021. Labor should seek to build on our favourable investment environment for clean energy by keeping and expanding our policy that committed \$20 billion to develop and deploy low emissions technologies.

Effectively managing the transition away from fossil fuels, which currently sustains over 110,000 jobs in Australia, is key. This workforce, often concentrated in regional areas, must be supported through reskilling and retraining programs ensuring that they are not abandoned through the transition. To be fair, the Labor Government has announced the establishment of the Net Zero Authority to focus on the challenge of ensuring the workers, industries and communities that have powered Australia for generations can seize the opportunities of Australia's net zero transformation. It remains to be seen if the allocation of funds to this new agency is spent effectively.

The development of large-scale green hydrogen production has the potential to revolutionise our industrial landscape, making energy-intensive sectors like steel and aluminium production far more

sustainable. This not only insulates our industries from the volatility of fossil fuel markets but aligns with our allies' net zero targets, which will inevitably reduce demand for traditional fossil fuel exports.

The former Coalition Government's National Hydrogen Strategy, anchored by the Hydrogen Industrial Hubs Program, illustrated its commitment to cultivating hydrogen production and its integration into industrial processes. The strategy's goal was to get the price of green hydrogen down to an economically viable level through technological advancements. This initiative had the potential to position Australia at the forefront of hydrogen technology, fostering a transition toward cleaner energy sources.

Australia also has the potential to harness its substantial uranium reserves to facilitate the use of small modular reactors and complement the ongoing deployment of renewable energy projects. Following the ongoing decommissioning of coal power stations, the prospects for integrating small modular reactors into our energy mix underpin, and enable us to accelerate, our net zero aspirations.

This strategic pivot not only aligns with a commitment to achieving net zero emissions but also offers a robust solution to bolstering energy security and diversifying risk in the evolving global energy landscape.

Relying on a sensible mix of nuclear, renewables and conventional energy forms will reduce our vulnerability to supply disruptions and price shocks, as well as geopolitical tensions that can impact the availability of fossil fuels. By combining our offshore wind potential, pumped hydro, hydrogen capabilities, scientific expertise, and mineral wealth, Australia can not only lead the world but assist our friends to meet their own targets.

Conservatives in Australia need to lift their eyes from petty debates about climate and manifest some aspiration for their country.

FUELLING THE FUTURE

We are a trading nation and integrated in a global economy. At the same time pollution and disease does not respect borders. There is so much opportunity for Australia to be a truly decarbonised economy that supports just and thriving communities everywhere on our planet.