

SPECTATOR | AUSTRALIA

If we're all such good friends and allies, there'll be no carbon tariffs? Right?

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Almost daily, supposedly pro-business outlets publish material calling for net zero emissions, carbon taxes and the abandonment of coal in the cause of curing the synthetic problem of human induced dangerous climate change. Never do they disclose the existing \$7 billion a year cost of subsidies, further boosted by frequent spending announcements like the \$1.5 billion pursuing of will o' the wisp schemes for energy from hydrogen. Only occasionally, for example in addressing the mounting costs of Turnbull's [Snowy 2](#) folly, does it refer to other expenses being incurred, and even then it is from a perspective of seeking even more subsidies to renewables.

The Financial Review's [Jennifer Hewitt](#) is not be the only woke journalist to draw a connection between Australia getting access to nuclear submarine technology of the US and

UK, and those two countries' clamour for the abandonment of coal. Is the promise of modern subs conditional on Australia accepting a new 2030 emission target? If so, we "burn the village to preserve it"; we undermine our economy to save it!

Internal and external pressures on Australia to incur even more emission-suppressing costs come at a critical juncture.

Global emissions have steadily risen in spite of the Kyoto agreement in 2007 – those in the west have collapsed due to taxes and other restraints, those in the developing world have surged. [UN Secretary General](#) Antonio Guterres has recently echoed two decades of assertions that, 'The world is "out of time" to act on climate change unless there are immediate large-scale reductions in greenhouse gasses.' He claims the coming Glasgow meeting 'must be the "turning point".'

Disappointing for the Secretary General would be [UN reports](#), where instead of approaching the goal of net zero greenhouse gas emissions, countries' Nationally Determined Contributions ([NDCs](#)) imply a 16 per cent increase to 2030. Moreover, "A sizeable number of NDCs from developing countries contain conditional commitments to reduce emissions, which can only be implemented with access to enhanced financial resources and other support." And [No nation](#) has a climate plan that meets their obligations.

Neither [India or China](#) have updated their NDC's since 2016. China says that unless US ceases to criticise it, it will sabotage [the Paris treaty](#). Previously, climate policy was said to be an oasis of cooperation between the two countries, even though China's supposed emission restraints are decades into the future. China told [John Kerry](#) that it rejects taking emission reduction measures that are said to be necessary to meet the 1.5C maximum global temperature increase.

And [India](#) has joined China in refusing to commit to net zero.

Renewable energy subsidies are policy priorities for US and UK. In President Biden's case they are at the heart of US \$3.5 trillion "build back better" and of paramount concern to his base; for Boris Johnson a failure of the Glasgow meeting will mean a waste of the political capital he has spent on it.

But Biden's renewables plans and associated closures of hydrocarbons plant are [unlikely to pass](#) since some Democrat Senators see them as, "killing jobs, raising costs, and provoking the sort of power crises seen in Texas and California."

In the case of the UK, Boris Johnson has already had to back down on a proposal to reduce greenhouse gas emissions by replacing gas boilers.

Added to this is the reality of the cost and unreliability of wind/solar is becoming apparent with popular [concern](#) about electricity prices, likely to be intensified as the outcome of forward price hits consumers' bills.

UK Forward Prices for Electricity (£ per MWh)



Compared with the 20 per cent renewables that subsidies have forced into the Australian supply the UK has 32 per cent of electricity generated from wind and solar and its high cost is being aggravated by shortages in gas.

The US and UK see Australia as a partner and not a supplicant within the new AUKUS alliance. The CO₂ emission reduction measures we are presently taking are proving costly to the economy, including our defence capabilities.

With China and other developing countries refusing to weaken their economies by impositions on low-cost coal generation and with the UK and US themselves facing push-back on proposals for further emission reductions, Australia should resist any diplomatic pressures that might be imposed. We cannot even afford the existing burdens we are placing on consumers and taxpayers to force the economy's conversion from cheap, reliable hydrocarbon-based energy to costly and unreliable wind and solar.

Indeed, a new study approvingly reported by the renewable energy lobby journal [RenewEconomy](#) estimated Australia would need to spend \$165 billion "on new clean energy projects over the next eight years ... to put itself on a pathway to net zero emissions by 2050". That's three times the annual spend of 2020 to create a higher cost system than that we are destroying.

Alan Moran wrote the chapter "Current trends and perspectives in Australia" in [Local Energy Markets](#) edited by Tiago Pinto et al and recently published by Elsevier.