

Vic Libs: four years of power in 24 since Kennett lost

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Recent polls show that the Liberals are more popular in Victoria (or less unpopular) than Labor for the first time since 2017.

Recalling a previous buoyant trend in 2017 being reversed with a change in leadership, some insiders are suggesting that the beleaguered John Pesutto be kept in place.

That is surely untenable. Pesutto has decided to pursue what feels like a vendetta against Moira Deeming centring on the absurd fiasco at the Let Women Speak rally. The cack-handed approach of the leadership group has made Pesutto a joke. It is a rejection of support for one of a new breed of active MPs which is married to a generally timid approach to policy.

The Liberals seem to be banking on an election win predicated on the idea that the ALP is becoming a tired, lacklustre administration over-reliant on Big Build projects, the allure for which has grown tepid.

Aside from a swipe at bikies in the CFMEU and an unconvincing plan to fast-track housing approvals (something they have never succeeded in doing during their previous government tenures), energy seems to be the policy area where the Liberals are seeking to gain support through relaxing regulations on gas exploration.

Ironically, the Liberal Kennett government lost office in 1999 due to the ALP promoting cheap gas to regional areas. Labor, under Steve Bracks, recognised a vulnerability in Coalition support outside of Melbourne, which the tightly guarded political research available to Premier Kennett would have been showing. That research was doubtless leaked to Labor enabling them to fashion a campaign that pulled off an unlikely victory with a promise to bring reticulated gas to regional areas.

Labor's subsequent hostility to gas – and all things hydrocarbon – has been one factor in its voter disenchantment. This has added to the excessive spending that has, notwithstanding tax hikes, brought \$50 billion in deficits over the past four years (each having had surpluses budgeted) and debt per capita at \$28,000.

The state's support of renewable energy has been an ingredient in the overspending. Despite this, the Coalition has largely confined its criticism to departmental inefficiencies. For example, it attacks the government for missing its targets on the Solar Homes subsidy, rather than directing these attacks at the programs themselves. It also continues to support subsidised wind and solar expansions, merely calling for greater consultation with landowners. This is forward momentum – the Liberals went to the 2022 election promising 50 per cent renewables by 2030, a vast supportive expansion of transmission and a one-billion-dollar subsidy for hydrogen fuels. But its approach is product differentiation rather than the fundamental reform that is needed for the state is to reclaim a position as a farming, manufacturing, and agricultural dynamo.

Previously, the Coalition rivalled the ALP in its hostility to gas. While this is somewhat modified, they still reject the modern form of gas extraction by fracking – doing so because they detect an absence of a 'social license', even though fracking has immaculate safety credentials and an unparalleled record in the US where it has been instrumental in a world-beating hydrocarbon resurgence.

And, again bowing to a lack of a 'social license', the Coalition has no plans to make use of the cheapest clean coal in the world – and 500 years supply of it – that gave Victoria the world's lowest cost electricity before the renewables mania forced up the costs of coal-generated electricity and the closure of the Hazelwood generator.

The news that Greg Hunt is being floated as a possible replacement for Pesutto indicates a poverty of leadership choice presently confronting the Liberals.

Greg Hunt cut his policy teeth as a McKinsey consultant where he flogged the firm's elixir of cost-free carbon dioxide reductions before stepping up to become Strategy Director of the Geneva-based World Economic Forum.

He would offer continuity to the Dan Andrews Big Build government spending programs. After all, as Turnbull's Industry Minister, he launched the \$90 million 'Next Generation Manufacturing Investment', where government picks the future winners. He also administered the \$500 million Biomedical Translation Fund and the \$1.1 billion National Science and Innovation Agenda. It was Greg Hunt who announced \$30 million subsidy as a lifeline for Alcoa's [Portland](#) smelter, having for 15 years fostered the renewable energy policies which created the escalating electricity costs that transposed the smelter into a hospital case. And though he claimed [\\$4.8 billion savings](#) in red tape reductions, nobody would be able to identify these.

Not many of Hunt's multitudinous industry plans have borne fruit. Even his staunchest supporters would have to chalk off his scheme for [CSIRO](#) to help China build five Gigawatts of concentrated solar thermal (CST) power by 2020 (currently, China has just six per cent of that under construction). But hey? Who takes ministerial braggadocio seriously?

Perhaps there is a lack of alternative leadership potential in the present Victorian Legislature but if someone is to be parachuted in, he or she needs the capacity to promote reform. In this respect, at 76, Jeff Kennett is two years younger than Donald Trump.