

Labor's astonishing renewable energy target turnaround

- [THE AUSTRALIAN](#), JULY 22, 2015

[Chris Kenny](#)

In politics nothing is ever as good or as bad as it seems, as they say, but Tony Abbott will wonder if it ever gets any better than this.

Bill Shorten has just gifted the Coalition the most simple and effective mantra for the next election — vote Labor and you get higher electricity prices.

Given Labor's intention to return to a price on carbon this was always likely to be the case but it has now been amplified — put up in bright lights if you like — by Shorten himself.

By promising to more than double the share of renewable energy in the economy over the next decade and a half, Labor cannot escape the reality of higher electricity prices.

It is an extraordinary policy announcement — without any detail.

Having voted in parliament last month to lower the nation's guaranteed renewable energy share to about 23 per cent by 2020, Labor is now saying it will boost that share to 50 per cent by 2030.

Labor's spokesman Mark Butler seems to have no idea how the target will be achieved, what it will cost or whether it will increase the country's emissions reduction performance.

“When we get into government and look at putting the finer detail of this,” he told SkyNews in an amazing interview, “obviously the cost of power for households and businesses is absolutely the top of the list as well as making sure that energy supply is secure.”

In other words, elect us and then we will work out how this policy works and what it will cost you.

On the weekend I wrote that the difference between the government and opposition on climate change was an illusion: “Labor postures as alarmist and evangelical, while the Coalition postures as cautious and sceptical, yet they promise identical emission outcomes through different methods. It is beyond parody.”

And I even suggested that despite the rhetoric Labor might not promise to do much more because the downside was obvious; “the higher Labor sets its sights the higher the costs it will have to impose.”

Well now Labor has taken a massive risk — and in my view one it will soon regret.

It is promising to do much more on climate change, and it is promising to do it with your money.

Yet, of course, because of Australia's tiny share of global emissions (just over 1 per cent) it can't deliver any discernible environmental benefit. It is all for show.

Just how much extra it will cost is anyone's guess.

But remember these are government mandated targets — if renewable energy was cheaper it wouldn't have to be mandated, investment would flow there naturally.

If wind energy was really more cost-effective than coal and gas, Labor would not have been complaining just days ago about the government directing Clean Energy Finance Corporation investment away from wind projects.

If wind energy really drove down prices, Labor would not have agreed in parliament just weeks ago to not only reduce the 2020 renewable energy target but exempt industries where jobs were under threat.

The cost pressures and threatened job losses that Labor pragmatically tried to alleviate in that decision are now back on the table — with double the impact — thanks to today's announcement.

It is an astonishing policy turnaround.

The sudden change, the lack of detail and the timing all suggest this is about Bill Shorten desperately seeking to appeal to the Green Left of his party in order to head off the aspirations of his deputy and potential leadership rival Tanya Plibersek.

This is Labor turning its back on household costs, manufacturing jobs and economic prosperity in order to appeal to the inner city green left.

For all his problems over almost two years of government, Abbott must be thinking good things really do come in threes: Kevin Rudd destroyed his prime ministership when he dropped his commitment to an emissions trading scheme aimed at meeting what he called the greatest moral challenge of our time; Julia Gillard blew herself up when she broke her carbon tax promise; and now Shorten has put a carbon price and a massive (uncosted) renewable energy target on the table.

Whatever is happening to the climate, politics doesn't seem capable of changing.