

Sticking Points for Policymakers on Committing to Net Zero by 2050

Particularly since the recent report from the Intergovernmental Panel on Climate Change, the federal government is under increasing pressure to strengthen its commitment to act on climate change. There is a growing chorus of voices around the world and at home demanding that we commit to a firm target of net zero by 2050. Citizens Climate Lobby Australia's 100 Days of Action campaign is all about this. The government continues to resist and regularly cites the following arguments, which in this Fact Sheet we will refer to as 'sticking points'.

How can we set a target without knowing how much it will cost?



In July 2021, the Deputy Prime Minister, Barnaby Joyce, told the Australian Financial Review there was a “zero” chance of the Nationals supporting net zero by 2050 without knowing the cost. “Until you show us a plan and show us the costs you haven't arrived at a point of consideration. Show us the plan, show us the cost and we're happy to consider it,” he said. This has been a popular talking point for the Coalition since it embarrassed the Labor party at the last election over its net zero pledge without a full costing.

Forecasts are inherently uncertain, even in the short term. To forecast something 30 years ahead is especially difficult. However, attempts have been made. One of Australia's leading economic forecasters puts the cost of investing for a new climate resilient growth path at \$67 billion [1]. The same report states: “Over the next 50 years, unchecked climate change will, in average annual terms, reduce Australia's economic growth by 3% per year and cost around 310,000 jobs per year.” By 2055, the losses will equate to having a pandemic every single year. Should our policymakers be asking themselves about the cost of inaction rather than delaying over budgetary considerations?

We only emit 1.3% of global emissions, what difference do we make?

It's true that our total domestic emissions are about 1.3% of global emissions [2]. However, we make up 0.3% of the world's population. This makes us one of the world's biggest polluters on a per capita basis. If you add our coal exports, our total emissions go up to 4% and our ranking to 6th biggest emitter. This makes us as bad at greenhouse gas emissions as we are good at the Olympics! Domestically we are the 15th largest emitter, so if we and all the nations that emit less than us decided they were too small to cut their emissions, very few reductions would happen globally and we'd all come to regret this.

We're achieving more than most of our peers as it is, why change?

The Prime Minister, Scott Morrison, is reported in the Guardian to have said at the G7 Climate Summit in April 2021 that Australia had cut its emissions by 19% since 2005, that this was “more than most other similar economies” and that Australia was “on the pathway to net zero”. If you take out the impact of the drought and the pandemic, emissions from all non-agricultural sectors (i.e. electricity, transport, industry) have actually increased by 7% over the same period. This is much worse than comparable economies [3]. What Australia needs, according to various experts [4], is an ambitious national target followed by a suite of regulatory measures.

Why should we throw thousands of coal workers 'under the bus' to achieve net zero emissions?

Understandably, this is an argument we hear mostly from areas which rely heavily on coal mining for local employment, for example the Hunter Valley and North Queensland. The demise of the coal industry will hurt these communities severely unless steps are taken to manage the process. Coal is at risk because it is rapidly being replaced by renewable energy, which is cheaper. At present coal provides 69% of our electricity (see chart) [5].

What does the Australian public make of this issue? 83% are in favour of phasing out coal-fired power stations and 74% are in favour of phasing out coal mining [6]. So, what can be done to minimise the harm to the most affected communities? These steps have been suggested in a case study for the Hunter Valley [7]: housing retrofits for improved energy efficiency; revitalising the landscape; re-use of coal ash reserves for cement, tiles, manufactured sand, and more; green steel; manufacture of electric buses. Combined, these initiatives could create more jobs than the 52,000 that the Australian Bureau of Statistics tells us are to be found in the entire coal industry in Australia.

And all of these initiatives would happen more easily, more quickly and at much less cost to the taxpayer with an efficient carbon price like the [Australian Climate Dividend](#).

