

A U S T R A A C L E A N E N E R G Y

Australians upset the natural order of things. As a nation we are proud of our sporting achievements, especially when we, as the underdogs, beat the big people and wrest their supposed dominance. We revel in usurping the natural order. Unfortunately this national trait does not always translate for our non-sporting achievements. Especially when those non-sporting achievements are political. In such cases, the response is at best skeptical or dismissive, and at worst it's indignant and scornful. Whilst this may be a reasonable response most of the time, ever so often there are decisions that require the inverse. There are sometimes glimmering shards of enlightenment that warrant attention, and dare I say, championing.

The 'Clean Energy Future' plan (CEF) introduced by the Australian government this July, is a policy that warrants the exemption. The CEF is an achievement. It is a forward-looking policy offering a solid and pragmatic solution to the significant global issue of climate change. It is a demonstration of leadership on a global scale. It is a brave policy, as it upsets the natural domestic order of things and offers a glimpse at a disruptively better Australia. An Australia that utilises all of its latent creativity, skill, and energy to strive boldly forward. Forward into a clean, efficient world of its own crafting. The CEF offers this glimpse and hope of a smarter future. It does so whilst also providing a safe and well-supported route to get there.

The response from the Australian public, however, was far from commensurate with this achievement. Nationally there was, and still is, vehement opposition

to the policy - it is seen as expensive, socially and economically destructive, and a product of bad leadership. As a nation we don't want to move before the others, nor do we want to upset a few fiendishly wealthy miners.

This is a bizarre response and it is certainly not in-line with the pride we, as Australians and global citizens, should have elicited from this. If the CEF were an Olympic sport, the public's response would have been akin to demanding that the 4x100m Australian swim team hand back their Olympic gold or that the crew of *Australia II* should return the Americas Cup. Why? Because they were faster, smarter and more adept than the dominant countries. The suggestion is nonsensical, and yet we doggedly apply this logic to our CEF.

Moving first may have certain risks and extra costs associated with it. These are not readily applicable to the CEF and Australia's position globally. We are not moving first. At last count there were over 35 countries and states that have signed up to reduce emissions. Notably, the EU, Tokyo, California, and NZ all have functioning abatement schemes up and running. This year China will install the same amount of wind and solar energy infrastructure, as exists in the whole of Australia.

The starters gun fired many years ago and whilst we were not first off the blocks, with the CEF, we are following fast and with any luck will start closing the gap. History teaches us that those countries that adapt and manage change early, succeed, and those who

AUSTRALIA II.O FUTURE PLAN OP-ED

SEBASTIAN QUINN-WATSON

don't, run the risk of stagnation and collapse.

Our democratic political system thrives on open informed discussion. The ability to grapple with big problems and deliver effective outcomes is a result of this process.

The CEF plan is such an outcome and more. It is a vision for Australia. It engenders workable solutions to changing climatic conditions. It invests heavily, \$13 billion, in creating a large renewables energy sector within the Australian economy. The CEF plan works with, not against, market forces in changing behavior and in turn lowering emissions. This, a political policy, though blunted by compromise is still beautifully effective. And yet, it is still cursed and derided. It is held up as an example of the political system gone awry.

In fact it is the response that itself has gone awry. The debate has been sullied by ideology, misinformation, and myopic self-interest. Denial has been rebranded as skepticism. Skepticism has become a liberal conspiracy and environmentalism is, depending on your voting pattern, dismissed as blindly dogmatic or treated as a plaything to discuss over a leisurely luncheon.

There may be areas where the policy could appeal more to the varied interest groups, for example it could have more concessions for the coal industry. Or it could take a harder line and have a higher initial price for carbon. But neither was going to be workable at such an early stage. The fact is that there are generous concessions for households and businesses alike. There is a trebling

of the tax-free threshold, along with a slew of other handouts that will offset the increased burden from higher electricity. The invisible hand has been softened with a silky glove, by a government determined to gently probe people and businesses into an energy-efficient direction. Australians will be made better off; initially with the handouts, and into the future with a more secure and diverse economy that is better able to capitalise in a carbon constrained future. Win-win.

Furthermore, the CEF contains a collection of policies that are structurally important foundations for a prosperous Australian future. The carbon tax gets our economy ready and prepared to compete in this growing global market. The investments in a renewable energy future will increase the research and development of important technology in the industry. This has the chance to yield significant increases in national productivity. Which is, as many pundits such as BHP chairman Don Argus indicate, a key feature of a robust and dynamic economy. All of these areas add up to this being an important area of economic reform for Australia. In short, this reform will make us richer, more competitive and better equipped to navigate the choppy waters towards a cleaner future.

If our emission intensive country can pragmatically take a step towards such a future, then this gives the rest of the world hope. Hope for a better, smarter, cleaner, happier planet. As a nation, we are taking a step in the direction of becoming global leaders. We are fashioning ourselves into Australia II.O, and this time we will not be the underdogs.