

TREASURER CHALMERS MAPS OUT A PRAGMATIC FRAMEWORK TO ACHIEVE NET ZERO WHILE SUPPORTING AUSTRALIAN INDUSTRY EVOLUTION.

In a speech delivered yesterday Treasurer Chalmers highlighted both the enormous challenges to be overcome if we are to achieve net zero but also the opportunities for Australia to leverage its comparative advantages and reform Australian industry.

The Treasurer is absolutely correct to point out that balancing ‘near-term risks and longer-term rewards’ while also ‘addressing the cost of living challenge’ is the government’s number one priority’. Importantly for Australian manufacturers, the Treasurer also identified that our industry policy framework needs to be recast and modernised, so we can maximise our advantages and leverage our strengths in a new age of net zero.

“We think the Treasurer has summed up the challenges and opportunities we face as we move towards a predominantly renewable energy system and net zero economy,” said EUAA CEO Andrew Richards.

“While achieving net zero targets is not easy and as we are fast discovering, is not cheap, it does not mean we shouldn’t keep striving to reduce emissions, but we do need to be careful how we move forward and ensure we are addressing the key barriers like skills shortages, supply chain constraints and local community issues” said Mr Richards.

EUAA members are some of the largest energy users in the country. They have been investing billions in renewable energy, switching to electricity where possible, improving energy efficiencies, participating in demand management and electing to switch off the energy usage during summer peaks to save energy for residential and other services amongst many other actions. But there are some parts of manufacturing that have no alternatives to emissions intensive processes.

“We agree with the Treasurer that this is a defining decade. Getting to net zero will change the economy so Government action should rightly focus on policy that supports key industries and job growth, reduce supply chain risks and put downward pressure on cost of living.”

“Support must be well targeted and we urge the government to resist the call to increase and expand subsidies to established clean energy technologies that no longer require it and focus on supporting emerging opportunities.”

The EUAA is the peak body representing Australian industrial and commercial energy users. EUAA membership covers a broad cross section of the Australian economy including significant retail, manufacturing and materials processing industries. Combined EUAA members employ over one million Australians, pay annual energy bills in the many billions of dollars and support the development of a lasting national energy and climate change plan that puts downward pressure on electricity and gas costs.

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