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## MEDIA STATEMENT

### **GAS STRATEGY HUGE MISSTEP ON AUSTRALIA'S PATH TO DECARBONISED FUTURE**

**Tim Buckley, director of independent public interest think tank [Climate Energy Finance](#) responded to the release today of the Albanese government's [Future Gas Strategy](#) by Federal Resources Minister Madeleine King.**

“It is ridiculous and beyond disappointing that the Australian Government in 2024 is releasing a long-term strategy that centres methane gas in the transition to net zero by 2050. The strategy released today is a massive misstep in the context of the strides the Albanese government has been making in pivoting to our economic future as renewables powered zero-emissions trade and investment leader.

Gas as a transition fuel might have made sense a decade ago, but the climate science and renewables and storage technology landscape has changed fundamentally in the decade since. Power supply firming, where gas plays a small and diminishing role, is now transitioning to batteries and other storage technologies.

Placing a long term commitment to this hyper-expensive climate-polluting fuel at the core of transition policy does exactly zero to ensure affordable gas for domestic use here in Australia. On the contrary, the gas cartel is the key culprit behind the domestic energy unaffordability that has smashed Australian households and businesses over the last several years and into 2024.

East Australia produces 5 times as much gas as we use domestically, most of it exported and then sold back to us at outrageously inflated prices. The ‘gas shortage’ narrative of the gas lobby is fabricated and fact-free. It is a ruse to expand the industry’s massive war-profiteering, as they pay next to no corporate tax here in the process.

The only winners from the Future Gas Strategy are the multinationals. And the only gas shortage is a shortage of gas cartel ethics, aided and abetted by a government that appears to be suffering a severe case of industry capture.

The failure of our governments over the last decade to properly regulate the multinational gas cartel gouging Australians is a leading cause of the climate, energy and cost of living crises impacting Australians today.

As Prime Minister Anthony Albanese has rightly said in launching his ambitious Future Made in Australia Act, it is imperative that Australia embraces the new low cost, zero-emissions energy solutions and industries of the future as we move to a fully renewable grid, firmed by interstate grid transmission, massive deployments of ever-lower cost, improved battery energy storage systems (BESS), pumped hydro, and rapidly evolving technologies like demand response management (DRM), virtual power plants (VPP) and vehicle to grid charging (V2G).

We have the comparative advantage of huge clean energy potential, meaning we can green our world-leading reserves of critical minerals and strategic metals by using our renewables to process and manufacture onshore pre-export.

It is beyond time for Australia to join the global race by accelerating state and private capital investment into future facing industries, and that means building on our rollout of utility scale and distributed firmed renewables – which will deliver permanently reduced power prices – and manufacturing with these energy sources, not gas. Today's strategy sends exactly the wrong signal to renewables investors and markets.

Far from consolidating our commitment to being a reliable trading partner, this strategy is also a total sellout of future generations worldwide. It shows the corrupting influence of the fossil fuel industry in Australia is still endemic in Australian federal politics in 2024. It is a stark reminder that Australia is still a global petrostate, as former Chief Scientist Dr Alan Finkel has said, and apparently intends to remain so for the foreseeable future.

We have a skilled labour shortage – and our workforce resources should be directed to new energy industries, not gas. We have finite capacity for new project approvals by our governments, and need to be accelerating renewables and cleantech industry project developments to completion, not gas.

We need all hands on deck to seize the massive \$500bn of investment opportunities ahead for our country in sun and wind powered critical minerals and strategic metals processing and manufacturing, and cleantech supply chain.

This will underpin a domestic jobs and net export boom, and secure our national interests and future prosperity as the entire global economy increasingly speeds its transition to net zero.

It is staggering evaluating the ambition and commitment of world leading companies in the zero emissions industries of the future. Australia ignores firms like China's EV maker BYD at our future economic peril.

BYD in 2023 invested 6.5% of revenues back into research and development, a staggering US\$8.3bn in just 12 months, enhancing the technology capacities of batteries and EVs. BYD invested more in R&D than they reported in net profit for their shareholders, which was a still staggering US\$6.5bn (+77% year on year). This level of R&D spend is more than 20 times the investment by any Western competitors. China is winning the global race to the top.

Australia, too, is positioned to become a world leader in the decarbonised global economy of the rapidly emerging future playing to our domestic strengths, if we invest strategically at scale and redouble our efforts into future-facing clean energy and industry opportunities.

Why Resources Minister Madeleine King is promulgating a growth strategy for a high emissions, low tax-paying industry of the past that externalises a huge part of its ongoing business costs onto future generations in the form of worsening climate change makes no sense commercially or on any other level.

Australia needs to invest in our future, not prop up industries of the past. It is beyond time for Australia to make the right choice.

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