15 September 2025

Dear Productivity Commissioner,

Response: Investing in cheaper, cleaner energy and the net zero transformation

I am a Sustainability Professional with over 20 years' experience working in energy and water in Australia and abroad. I thank you for the opportunity to be part of this consultation. Strikingly, the word '*productivity*' is used fifty-six times in the interim report with no definition given by the author. Therefore, I revert to the Oxford Dictionary definition:

The rate at which a worker, a company, or a country produces goods, and the amount produced, compared with how much time, work, and money is needed to produce them.

This definition emphasizes the efficiency of production in relation to resources used, applicable across individual, organizational, or national contexts. '*Productivity growth*' is used sixteen times, again without definition, and so I assume it to mean an increase in the efficiency of producing goods or services over time, measured as a percentage of change in output per unit of input. Most often the result of improvements in technology, processes, skills or resource allocation. The reason I seek this clarity is I believe productivity to mean different things to different people, as its interpretation depends on context, goals, and individual or organizational priorities. While the core idea - efficiency in converting inputs into outputs - remains, what constitutes an "output" or "input" of quality and value varies. I underline quality and value here, and it is the lens through which I have reviewed this report.

In this context, it is not clear to me how any of the recommendations are beneficial to the productivity of our nation. The recommended "inputs" of this report appear to be more funding for government departments, quasi-government bodies and works programs with no clear, quantifiable "outputs" of value to Australian taxpayers, the ultimate funders of these recommendations. My professional recommendation is to follow the wisdom of one of the world's greatest minds and creators, Albert Einstein.

'Everything that is really great and inspiring is created by the individual who can labour in freedom.'

If you are truly concerned about the best interests of the Australian economy, then foster an environment in which those who innovate, create and produce are free to do so.

Executive Summary

Reducing emissions from greenhouse gasses is an important national priority is a statement to which I strongly object. Feeding and housing our nation, providing quality education and health services for our children and defending our borders are national priorities. Reducing emissions is not. This statement is unfounded and a clear and compelling business case has never been presented to the Australian public for consideration, nor the opportunity to vote on this by way of a referendum or election. We are told that net zero comes with costs and we need to achieve it at least cost. If you do not understand the baseline cost, then how do you calculate least cost?

Recommendation 1.2 – The Safeguard Mechanism should cover more industrial facilities and carbon leakage provisions should be improved.

Green tape is already a huge administrative burden to those caught under the Safeguard Mechanism. It is stated in the report's executive summary that Australia faces future climate-related risks regardless of emission reductions. Please explain how lowering the threshold is of benefit when you have just stated that any action taken is pointless. It is also obvious that the ACCU market would not exist if it were not for the Safeguard Mechanism. In the words of Ronald Regan:

'Government's view of the economy could be summed up in a few short phrases: If it moves, tax it. If it keeps moving, regulate it. And if it stops moving, subsidize it.'

This particular recommendation takes the trifecta - government intervention potentially stifling wealth creation through over-taxation and regulation in an attempt to subsize or underwrite their own dubious and flagging ACCU market. A market, based on methodologies that many academics and professionals do not believe balance the need to guarantee issued credits reflect real, additional and permanent abatement, with the commercial needs of proponents.

Recommendation 1.3 – Introduce an emissions-reduction incentive for heavy vehicles and phase-out policy overlaps for light vehicles.

Australia's most productive industries rely on heavy vehicles to do "hard yakka" - heavy and hard work in challenging and remote terrains and landscapes, often involving large distances. There is nowhere near the infrastructure required to support the uptake of electric vehicles in regional and remote areas with the big question being who will be the ones to invest and build it? Alternative "low carbon" fuels are far from ready to be adopted on a large scale. Surely, we have learnt something from the obscene over investment in the over hyped hydrogen industry. This is a very dangerous initiative that places a huge and unnecessary burden on our agriculture and resources sectors, our most productive and valuable sectors and of greatest importance to our national security.

Recommendation 1.4 – Apply frameworks to achieve emissions targets at cost and improve transparency

This recommendation does not enhance productivity, but quite the opposite. This report emphasizes achieving net zero at least cost, without specifying the exact forecast cost over time. Though cost is incurred by the taxpayer in each and every recommendation of this report, predominately through increasing the regulatory and bureaucratic burden on our nation. We do not need more of this - we need far, far less.

Recommendation 2.2 – Set up a specialist 'strike team' for priority projects

Specialist 'strike teams' should be set up within our communities, not withing DCCEEW, and certainly not within Canberra or major cities. Communities are exhausted by consultation fatigue caused by the onslaught of the energy project rollout in the regions. 'Strike teams' cannot be effective when situated so far from the bullseye or ground zero. We need funding to flow to the communities in the thick of it - let them form their own "teams" and Government provide the support - money, resources, and time - to allow them to engage strategically rather than reactively to the proposed transformation of their landscapes and livelihoods.

Recommendation 2.3 – Establish a Coordinator-General for priority projects

In the report's opening statement, it describes the Government taking a technology agnostic approach. This recommendation contradicts this and prioritizes renewable energy projects. This suggests an inherent bias of a Coordinator-General in a supposedly independent role. In a marketplace where all clean energy projects are treated as equal, there should be no need for this role, which can only introduce subjectivity and bias.

Recommendation 2.4 – Consider the energy transition in approval decisions

'The best approach to climate change is one of humility and caution, where we remain open to questioning our assumptions and recognizing that our interventions in complex systems can have far-reaching and unpredictable consequences.' - Dr Matthew Wielicki.

The energy transition should not be prioritized over other environmental and sustainability issues. It needs to be treated with humility and caution as we do not understand the full effect and far-reaching consequences of enshrining it in legislation.

Recommendation 3.1 – Set up a climate risk information database covering all climate hazards

This is obvious duplication and a waste of taxpayer money in the eyes of any competent engineer. This information is already accessible and has been incorporated into the design and construction of infrastructure for the last century.

Recommendation 3.2 – Develop a nationally consistent climate resilience rating system for housing

Our obsession with rating schemes is creating 'tick box' designers and engineers, killing creativity and instilling a fear of failure and professional persecution. In our ever-increasing litigious society, we are reverting to cookie cutter "solutions" - safe answers, that are guaranteed a tick or a credit rather than pushing the envelope and testing boundaries. Another rating scheme will simply add another layer of administrative burden and cost to an industry that is already struggling with existing requirements. It will inhibit productivity, and the only beneficiaries are consultancies and academics.

Recommendation 3.4 – Give the Climate Change Authority responsibility for monitoring, evaluation and learning regarding adaptation policy.

When you mark your own homework, impartiality fades, and objectivity becomes a mirror reflecting only your biases. I agree with the importance of accountability through continual review and evaluation, though the Climate Change Authority should be the last to critique their own progress.

In summary, if my understanding of this report is correct, I completely align with the sentiments of economist, Milton Friedman.

'The government solution to a problem is usually as bad as the problem and very often makes the problem worse.'

That the level of government interference recommended in this report can and will hinder wealth creation by complicating economic and regulatory processes. We need to unshackle our creators and producers from all shades of tape - red through to green - if there is to be any hope of economic recovery. These recommendations do nothing but create new and larger chains.

Thank you again for this opportunity and I look forward to continuing to be part of this consultation process.

Kind regards,

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