



PERTH MODERNIAN SOCIETY

RESTORING FULL EMPLOYMENT WHILE DEALING WITH CLIMATE CHANGE

Professor Ross Garnaut AC

On Thursday May 6th 2021 Professor Ross Garnaut AC delivered the annual Modernian Oration to a packed hall of Sphinx Society Members and Perth Modernians. Ross is a Modernian (PMS student 1959-63), an internationally-known economist, former Ambassador to China (1985-88), and currently a Professorial Research Fellow in Economics at the University of Melbourne. His experience in Asia is extensive and varied. He has advised leaders of Australia and other nations. He referred to Modernian Bob Hawke as Australia's greatest prime minister.



Ross's concern about climate change is well-known, and his book *Superpower: Australia's Low Carbon Opportunity* (Black Ink, 2019) has been widely praised. He read a little from his latest publication, *Reset: Restoring Australia after the Pandemic Recession* (Black Ink, 2021). He reminded listeners of the inspired setting up in 1942 – years before the end of WWII – of the Department of Post-War Reconstruction. He believes we should now be taking the steps that will make us successful in a post-Covid world. We should aim for equity, full employment and increased living standards for all Australians. The role of economic knowledge is crucial.

Ross emphasised the relevance of the school's motto, *Savoir c'est pouvoir* (Knowledge is Power), saying that the research is clear: climate change is real and can be combatted. The longer it takes for the world to act to stem the threat, the more difficult the task will be. Science has shown how carbon emissions can be lowered, and Australia – WA in particular – is well-placed to profit from actions which are available to us now. Our nation has a relatively small percentage of the world's population and is responsible for a relatively small percentage of the world's carbon emissions, but nevertheless Australians are among the highest carbon-emitters per capita. We should aim for zero carbon emissions by 2050.

He spoke of significant headwinds for Australia's international trade. Coal exports are declining fast. LNG may be helpful short-term, but that too will fold. For complex reasons, trade with China has become difficult: Ross thinks this is unlikely to change soon. Providing education for international students has in the recent past created a source of income for our universities, but the pandemic has changed that situation and it will not recover easily. Vested fossil-fuel interests have a great deal of influence which is not helpful.

Despite the foregoing, Ross spoke hopefully of our nation's prospects. Australia has enviable resources of renewable energy, and the necessary scientific knowledge and skills to make the most of them. We should be replacing fossil fuels with green hydrogen. Because such a high percentage of hydrogen energy is lost in transport, we should bring industry such as steel mills to Australia. Renewable energy is low-cost. Plants and soils can absorb carbon. The fertility of the soils can be restored. Photosynthesis has been around for billions of years: we can make it work for us. We must move to zero carbon emissions, and move in that direction now.

Two students thanked Professor Garnaut and presented him with a gift. Principal Ms Lois Joll added her thanks, saying his ideas would encourage the students in their future careers as they contemplate the importance of individual actions in combatting climate change with its challenges and opportunities. The Council of the Perth Modernian Society warmly thanks Professor Ross Garnaut for his address. It was inspirational, practical, and of immense relevance to our lives.



Prof. Ross Garnaut AC (right) with Dr Ken Michael AC