Bowen: investors spooked by Lib plan

Mike Foley
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Nervous investors are seeking reassurances from the Albanese government over the fate of the renewables rollout, Energy Minister Chris Bowen has revealed, amid deepening uncertainty over the opposition's vision for renewable energy in the future power mix.

In a speech yesterday, Bowen said he had been approached by renewable energy investors concerned that the Coalition's pledge to build nuclear plants and scrap Australia's 2030 climate target would jeopardise their ability to keep bankrolling energy projects.

Bowen's remarks followed opposition energy spokesman Ted O'Brien's statement to an industry conference yesterday that renewables could not be the grid's "predominant" energy source in the future.

Wind, solar and hydropower already account for more than 40 per cent of the mix.

"We are on our own internationally thinking that we can have an electricity grid run predominantly by intermittent wind and solar," O'Brien said.

He has said renewables will play an important role in the electricity grid but argued against "putting all our eggs in one basket".

O'Brien's remarks contrast to the Albanese government's goal to raise the share of renewable electricity in the grid to 82 per cent by 2030. The government has underwritten schemes to encourage investment but is not bankrolling projects.

Bowen was asked at the Press Club if major investors had voiced worries over the lack of bipartisan support for the government's renewables goals.

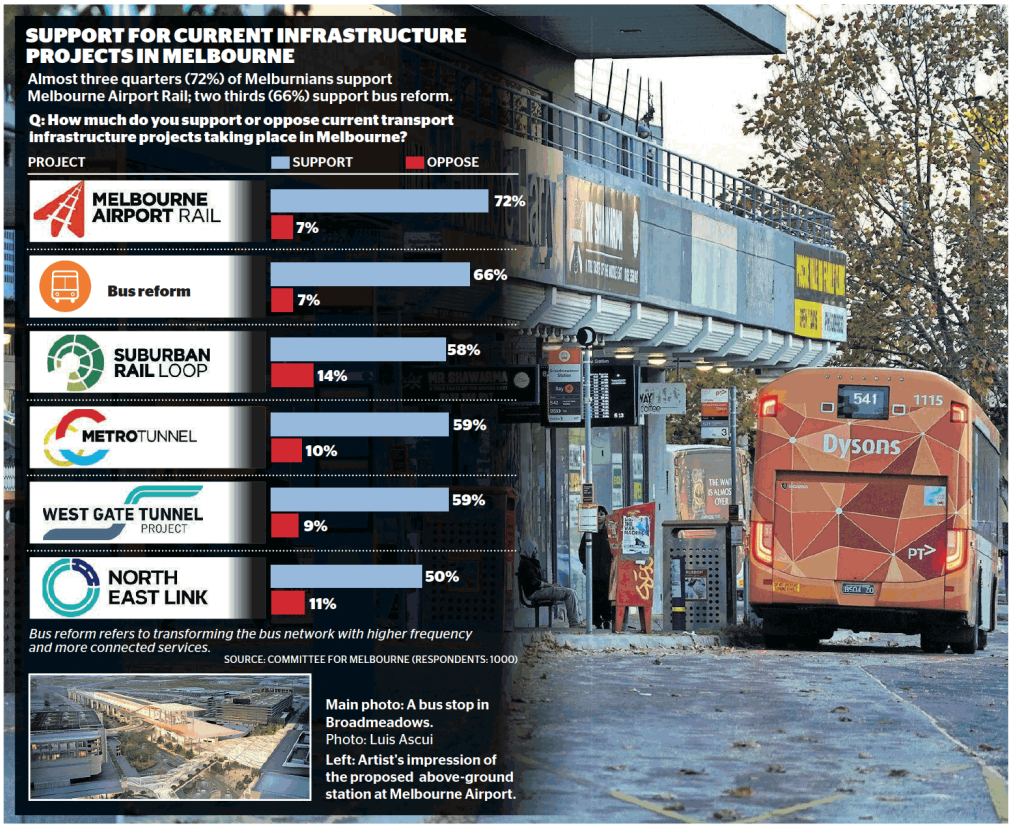
"It has been raised with me as a concern by renewable energy investors," he said. "But I'm not aware of any particular decision that has been taken to say we were going to invest and now we're not."

The Investor Group on Climate Change, a coalition of 104 global and local institutional investors including AustralianSuper, Cbus, Fidelity, BlackRock and Vanguard, warned in June that the opposition's plans would derail investment plans.

Bowen warned that a Coalition government would cause private investment to dry up. "All these investments and many more like them are at risk because of the policy uncertainty caused by an ill-informed nuclear frolic," he said. "Their ideological pursuit of nuclear reactors in two decades' time would wreck the renewables rollout now."



Chris Bowen



Main photo: A bus stop in Broadmeadows. Photo: Luis Ascui
Left: Artist's impression of the proposed above-ground station at Melbourne Airport.

Not sold on the loop, but city backs airport rail and buses

Cara Waters
City editor

Melburnians want to see an airport rail link and better bus services before the $34 billion Suburban Rail Loop, according to a new independent survey revealing residents' priority infrastructure wishlist.

The survey found the government's big-ticket infrastructure projects, such as the Suburban Rail Loop, the $14 billion Metro Tunnel, the $10.2 billion West Gate tunnel and the $26 billion North East Link, lagged a desire for the long-awaited rail link to the airport.

The Committee for Melbourne is an apolitical organisation comprising 150 members from business, academic and community circles to lobby governments on issues related to the city's sustainable growth, and was instrumental in establishing Melbourne's free tram zone.

It surveyed 1000 Melbourne residents, to be published today, which shows 72 per cent support airport rail and 66 per cent support improving the bus network.

Chief executive Mark Melvin said Melbourne's population would reach 9 million in 30 years so the projects taxpayers were funding had to set the city up for success.

"[Airport rail] needs to be done, and it needs to be done now," Melvin said. "Airport rail is not going to be any cheaper tomorrow. It's already more expensive than it was yesterday."

Premier Jacinta Allan has delayed airport rail for at least four years and the project is unlikely to be completed until 2033. There is a funding shortfall of $3 billion from the $13 billion needed for the link, which has been on drawing boards since the airport first opened in 1970.

Bus reform has long been advocated for as the quickest and cheapest way to fix the state's transport woes, and Infrastructure Victoria last year called for a network of dedicated bus only lanes.

The Metro Tunnel and West Gate Tunnel projects both had 59 per cent support among those surveyed, the Suburban Rail Loop had 58 per cent support and North East Link had 50 per cent support.

The Metro Tunnel is an underground rail link connecting the new Arden, Parkville, Town Hall, State Library and Anzac stations in inner Melbourne and is expected to open to passengers in 2025. The West Gate Tunnel, also set to open next year, is a "market-led" project dreamt up by toll road giant Transurban, which will connect the West Gate Freeway in Yarraville to CityLink in the Docklands.

The Suburban Rail Loop has been described as a "money-sink" by one planning expert and the federal government has refused to commit to funding it. Construction on the first $34.5 billion stage, between Cheltenham and Box Hill, has begun with an expected completion date of 2035, and then a further three stages at additional cost are needed to complete the project.

The project with the least support among those surveyed is the North East Link, Victoria's largest, most expensive road, which comprises twin 6.5-kilometre tunnels from Watsonia to Bulleen, connecting the ring road to the Eastern Freeway. It is set to open in 2028.

> *'Airport rail is not going to be any cheaper tomorrow. It's already more expensive than it was yesterday.'*
>
> Mark Melvin, Committee for Melbourne

Crystal Legacy, an associate professor in urban planning at the University of Melbourne, said the survey suggested that perhaps big, expensive infrastructure was not needed to achieve fundamental gains around access to quality buses and public transport.

"I think people do desire an airport rail link, in part because people see that as part of an aspiration of a city of our size," she said. "Sydney's got one, Perth even has one. Why don't we have one?"

However, Legacy said bus reform should be the No.1 priority.

"That's just something we can do and achieve with relative ease," she said. "Looking at the contracts of the different bus providers and making sure that those buses are going down the streets where people need them, and are coordinated with existing hard transport infrastructure like the train lines and the tram lines."

Melvin said there was an opportunity to reform the underutilised bus network. Only 2 per cent of journeys in Melbourne are made by bus and there are only 52 kilometres of bus lanes throughout the city.

"We believe the government should look at all of its infrastructure spend and spend the dollars where there is most productive return for those dollars," he said.

A spokesman for the Victorian government said it was making a record investment in road and rail.

"Victorians have endorsed our infrastructure priorities at consecutive elections and we're getting on with delivering them," he said. "We had an ambitious plan to get a rail line built to the airport by 2029 and the project remains a priority, but the airport's unreasonable demands have delayed its delivery by four years."

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