

Australia's Liberal Party shifts further to the right, dumping "net zero"

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At a party room meeting on Wednesday, the Liberal Party voted to ditch their nominal commitment to reduce carbon emissions to "net zero" by 2050. The next day, Liberal leader Sussan Ley publicly announced the policy change.

The shift goes far beyond the intrinsic significance of the policy itself. The climate targets of all of the major parties are a sham, which they willfully violate, including the current federal Labor government, under which emissions are increasing.

Of greater significance is the fact that the change marks a further shift to the right by the Liberals, under conditions where they are facing an existential crisis.

The immediate impulse was provided by the Liberal's Coalition partner, the National Party, a regional and rural-based party. They preempted any Liberal decision by announcing a fortnight ago that they were dispensing with "net zero."

That declaration posed a question mark over the future of the Coalition, if the Liberals were to maintain "net zero." It was clearly aimed at strengthening the hand of right-wing factions within the Liberal Party, some of whose representatives, such as Jacinta Price and Andrew Hastie have openly undermined Ley's leadership and called for the party to adopt a more Trumpian program.

The context is the Liberal debacle in the May 2025 election. The party received its lowest vote since it was founded in 1944. An urban party, it was all but wiped out in the major cities, holding just 9 out of 88 metropolitan seats, deepening a tendency that had been apparent in the previous two elections.

Ley, a member of former Prime Minister Scott Morrison's "centre right" faction, won the leadership of the Liberals after the election in a narrowly contested ballot. She was supported by the remaining "moderates," while her opponents Angus Taylor, and Price for deputy, had the backing of the right-wing factions.

Ley has largely sought to defer any decision on policy questions. After the election rout, the Liberals announced a protracted "review" into all policies that they had taken to the poll. With that dragging on, the Nationals made a move.

In announcing the change, Ley was reduced to a pathetic incoherence. While the Liberals would no longer have a policy of "net zero," they would be pleased if such an emissions reduction were to occur by 2050.

The Liberals would support Australia remaining a signatory to the Paris climate agreement, even as they rejected measures to achieve the nominal emissions reductions that the agreement calls for. The Liberals would repeal existing emissions mechanisms, and replaced them with an unspecified "technology-led" approach.

The mishmash of Ley's presentation was aimed at presenting the new policy as a compromise between the right-wing factions and the "moderates," who had wanted to retain "net zero." The obvious contradictions in Ley's statements make clear this is not the case. The outcome of the meeting was a rout for the "moderates," whose own political capital within the Liberal Party is approaching "net zero."

In the lead-up to the party-room meeting, several moderates had spoken publicly against dumping the policy. They warned that it would confirm the Liberals descent into political oblivion, making it almost impossible for them to regain the city seats that they have lost over the past three elections.

According to media reports, moderates had raised internally that ditching "net zero" was a "red line," which could not be crossed without consequences. That raised the possibility of a split or of defections.

Despite those warnings, the vote appears to have been roughly 60-40 percent in favour of dispensing with the policy. And since Ley's announcement, "moderates" have grumbled anonymously to the press, but it appears clear that they will accept the outcome.

That is a marker of the breakdown of the Liberal Party as a "broad Church" conservative party. For many years, as the primary urban party of the ruling elite, the Liberals maintained within their ranks disparate right-wing forces, including those "moderate" types that pitched themselves as "socially progressive and economically conservative," self-styled "centre-right" elements and more far-right forces.

Whatever equilibrium was maintained between the contending forces has unravelled over the past decade. A significant turning point came in 2018, when then Liberal Prime Minister Malcolm Turnbull was ousted by his party. Turnbull, a wealthy businessman with close ties to the financial elite, had genuflected to the concerns of inner-city layers of the population, over gay marriage and the environment.

He was replaced by Ley's factional ally Scott Morrison, whose leadership marked a shift to the right. Morrison closely aligned his government with the first American administration of the fascistic President Donald Trump and deepened Australia's involvement in a US-led war drive against China, which had been supported by all governments since 2011. He also dog whistled to a far-right milieu on such issues as immigration and the pro-business drive to end all pandemic safety measures.

Notwithstanding his right-wing pitch, including overtures to climate change deniers, it is notable that it was Morrison who signed up to the Paris climate agreement and instituted the policy that has now been dumped. That signals the even deeper shift to the right that has occurred since.

The Liberals have largely lost their inner city seats to "Teal" independents. Many of them are former Liberals or have had longstanding connections to the party. While being rabidly pro-business, they have pitched to concerns over the environment and have presented the Liberals hostility to measures to address climate change as being out of step, including with substantial sections of business.

The Teals are in some respects Turnbull-style Liberal "moderates." Three of the six Teal MPs have family who were high-ranking Liberals. The fact that they are outside the Liberal Party already had the character of a split, prior to the latest turmoil.

As the WSWS has explained, underlying the Liberal crisis are profound shifts in class relations. The relatively broad middle-class of the post-World War II era, upon which the Liberals were based, no longer exists. Many small businesspeople face a precarious and uncertain existence. Layers of professions, such as teachers and health staff, have been proletarianised and increasingly identify their own social plight with that of the broader working class.

Meanwhile, the social polarisation of the past four decades has changed the composition and character of the upper classes. In addition to the financial elite, there is a privileged and grasping upper middle-class, narrower and with greater access to wealth, than the middle-class of old. It is these layers that the Teals speak for.

The ditching of "net zero" makes clear that Ley's attempts to hold the Liberal Party together are doomed to failure. While she remains the leader for now, she has capitulated to the right, rendering her little more than a figurehead.

Those elements within the Liberal Party, such as Price and Hastie, who have been agitating for a more far-right pitch across the board, will only be emboldened. In addition to dispensing with "net zero," they have called for a more aggressive assault on immigrants, an "Australia First" style turn to state-protected industry and the promotion of virulent nationalism.

That is bound up with a broader shift to the right, also expressed within the Labor Party itself. Its program is

indistinguishable from that of previous Liberal governments, from pro-business tax cuts to the rich, to social cuts targeting workers and the poor. Labor's military policies, aimed at completing Australia's transformation into a frontline state for war with China, and its attacks on immigrants and refugees, have helped to foster an official atmosphere of xenophobic nationalism.

While Labor was touted in the media for its "landslide win" in the 2025 election, the vote polled was its second lowest winning tally in its history. In working-class areas, the rejection of Labor's program was more pronounced particularly over its complicity and defence of the genocide in Gaza. To the extent that Labor's vote increased in some areas, it was in part due to picking up Liberal voters.

What is developing is a search by sections of the ruling elite for a new far-right formation, either emerging from the Coalition or elsewhere.

The far-right anti-immigrant One Nation is polling at a record 15 percent. The extent to which its successes are accelerating the disintegration of the Coalition are made clear by the ongoing discussions between former National leader Barnaby Joyce and Pauline Hanson of One Nation about a possible defection.

Even more right-wing forces, including the neo-Nazi National Socialist Network, are coming to greater prominence, aided by extensive media coverage.

As is the case internationally, the impulse for the development of far-right tendencies is coming from above, including from some of the country's wealthiest businesspeople. Amid a crisis of global capitalism and the breakdown of the old political mechanisms of capitalist rule, such as the Coalition, they recognise the need for new formations whose far-right policies are in line with the lurch to authoritarianism demanded by the program of austerity and war supported by the entire political establishment.

As that searching around continues, the ruling elite is more dependent than ever on Labor and its affiliated trade union apparatus. Its pro-business and pro-war policies are placing it on a collision course with the working class.



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