



Investment for
Australia's Renewable
Energy Transition

IMMEDIATE RELEASE

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Budget delivers ambitious support for Australia's decarbonising future but a clear fossil free vision is still wanting

The [Climate and Capital Forum](#) applauds Treasurer Jim Chalmers' 2024-25 Budget that outlines the government's clear recognition of Australia's potential to gain in the fast-emerging global decarbonising economy.

"The real budget news, beyond the tax cuts, energy bill rebates, rent assistance and surplus headline grabbers, is the highly ambitious funding to deliver its Future Made in Australia plan," said Forum Founder Blair Palese. "This funding will allow Australia to build a future economy as part of the growing demand for decarbonising energy, products and manufacturing globally. But we need to do it fast."

"The lynchpin is the [Future Made in Australia Act](#) package which comprises important initiatives covering critical minerals development, support for solar manufacturing and hydrogen industries as well as expanded funding and investment for the [Australian Renewable Energy Authority \(ARENA\)](#), all initiatives the Climate Capital Forum has advocated for since the last election."

"We applaud Chalmers' commitment to \$7.1 billion over 11 years from 2023–24 to support refining and processing of critical minerals, which are vital to securing our place in the renewable energy and battery supply chain. The Critical Minerals Production Tax Incentive is also key, but Forum members wonder why we should wait until 2027 to implement it when the time to kickstart the sector is right now."

"The big disappointment for Australia, though, is not in the budget but in the government's [May announcement](#) that it will continue to back polluting gas until 2050. No one is arguing that gas can be phased out immediately, but to truly plan for the size and scale of the transition we must make from fossil fuels domestically and through our exports, it's beyond time to pick a side. We can't have it both ways and the government needs to send a clear message that we want to lead in the global decarbonising market."

"For investors and our trading partners, Australia must be seen to make a 100% commitment to grabbing the new economic opportunities of our affordable renewable energy, abundant critical minerals and innovative technologies to join the global decarbonising market. After ten years of inaction by the previous government, we are playing catchup and must earn credibility with



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countries already establishing carbon border taxes that will either help or harm us depending on how solidly we move.”

“While many of the budget announcements are excellent steps, real government vision and leadership still seems lacking. We can't be distracted by fossil fuel lobbying to divert and distort the reality of the current trajectory of passing 2.5C degrees of warming that scientists are now predicting, which will have a devastating impact not only on our country and people, but on our economy.”

“It will take years of policy and investment commitment to see the benefits of what we do now pay off so that businesses develop and stay in Australia, job opportunities grow and we achieve the energy and economic security transitioning from fossil fuels offers us. Australia must focus all of our efforts, and our government's policy and investments, on a decarbonised future if we are to build our place in the decarbonising global economy.”

Climate Capital Forum welcomes the announcements in the Budget that will continue to move Australia along the pathway to a decarbonised economy:

The [hydrogen production tax credit](#) is estimated at \$6.7billion over ten years from 2024–25, as well as \$8billion over ten years to support the production of renewable hydrogen and an expanded Hydrogen Headstart program. Investment in renewable hydrogen will support local domestic manufacturing sectors.

New funding of [\\$549million over eight years from 2023–24 for the Australian battery sector](#) is a good start; the main allocation of which is \$523.2 million over seven years from 2024–25 to establish the Battery Breakthrough Initiative, administered by the Australian Renewable Energy Agency, to promote the development of battery manufacturing capabilities through production incentives targeted at the highest value opportunities in the supply chain where huge potential for domestic companies exist.

Supporting the skills transition of our workforce is also included with programs for regional skills development and women's engagement in the transition workforce.

- \$91.0 million over the next five years to accelerate the development of the clean energy workforce through expanded access to the New Energy Apprenticeship Program.
- \$55.6 million for the Building Women's Careers program and \$38.2 million to support diversity in science, technology, engineering, and maths.



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There's also \$209.3 million to expand the Net Zero Economy Authority, and catalyse private and public investment, and support workers affected by the transition.

There is also \$178.6 million in worker transition support, including the Energy Industry Jobs Plan and place-based Regional Workforce Transition Plans.

\$1.7 billion over ten years from 2024–25 is allocated to the Future Made in Australia Innovation Fund, to be administered by the Australian Renewable Energy Agency. More investment to support innovation, commercialisation, pilot and demonstration projects and early stage development in priority sectors, including renewable hydrogen, green metals, low carbon liquid fuels and clean energy technology manufacturing will help to speed up adoption. The [strategic examination of Australia's research and development \(R&D\) system](#) has been [welcomed by the science and research sectors](#), but is long overdue especially when scientific research produces the knowledge needed for technological innovation.

Implementing the long awaited New Vehicle Efficiency Standard will receive \$154.5 million over six years from 2023–24, including new regulation and installation of EV charging stations in car businesses. Yet another step in the roll out of electric vehicles, continuing to play catch up with the international community.

Continuing work on international climate change initiatives, there's \$76.2 million over five years from 2023–24 to supports Australia's continued engagement in international climate change and energy transition issues, including through the International Energy Agency, G20 and United Nations Framework Convention on Climate Change, to bolster trade opportunities and enhance security relationships with key partners, and bid to co-host the 31st Conference of the Parties (COP31) in partnership with the Pacific and undertake initial planning in the event of a successful bid.

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Blair Palese is Founder, Climate Capital Forum, a network of investors, decarbonising businesses and climate finance experts, has for two years focussed squarely on the need for Australia to respond strongly to the US Inflation Reduction Act (IRA) – or Climate Bill – with a clear vision to ensure our innovators and innovations don't move offshore as the global demand for low-and no-carbon energy, materials and manufacturing grows exponentially.

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