LETA

Low Emission
Technology
Australia

2026–2027
Pre-Budget Submission

JANUARY 2026

Foreword

Low Emission Technology Australia (LETA) is a A$700 million fund established in 2006 by the Australian black coal industry to invest in technologies that can significantly reduce emissions and support the transition to a low emission global economy, in line with the Paris Agreement.

LETA partners with government, research institutions, universities and industry locally and internationally to develop projects that reduce and remove greenhouse gas emissions from large scale industrial processes such as power generation, steel and cement manufacturing, mining, and future energy sources such as clean (low-emission) hydrogen. Further information about LETA can be found on our website, at www.letaustralia.com.au.

LETA welcomes the opportunity to provide a submission to the Treasury to assist in the preparation of the 2026–2027 Federal Budget.

LETA's submission focusses on those areas that are important for the development and implementation of low emission technology in Australia, the contribution these technologies make to reducing emissions and the role the Federal Government, through the 2026–2027 Budget, can play in supporting these technologies and their application.

Overview

Low Emission Technology Australia (LETA) welcomes the opportunity to contribute to the 2026–2027 Federal Budget.

Low Emission Technology Australia (LETA) welcomes the opportunity to contribute to the 2026-27 Federal Budget. As a fund dedicated to accelerating the development and deployment of low-emission technologies, LETA plays an important role in Australia's transition to a low-emission economy. Our approach is pragmatic and bipartisan, focusing on scalable solutions that enable economic growth while reducing Australia's carbon footprint.

While debates continue about the future of Australia's resource exports, LETA's focus is on advancing technologies that address the immediate and ongoing need to decarbonise in line with Australia's emissions targets.

To support Australia to decarbonise, LETA makes five key recommendations for inclusion in the Federal Budget.

1

Implement and fund a national carbon capture, utilisation, and storage (CCUS) strategy.

Australia lacks a coordinated framework for carbon capture, transport and storage.

Investment certainty, emissions reductions in hard-to-abate sectors, regional jobs.

2

Support mines to decarbonise by partnering with industry on scope 1 emissions abatement projects.

Fugitive methane emission from coal mining accounts for around 6 per cent of national emissions.

Rapid emissions cuts, carbon credit revenue, regional clean energy jobs.

In light of strong global momentum in clean technology deployment—for example, the number of operational carbon capture and storage (CCS) projects worldwide jumped from 50 to 77 in the past year—it is essential that Australia does not fall behind.

Many of our key trading partners (Japan, South Korea, China, India, Vietnam, among others) have set netzero emissions goals for 2050–2070; the technologies we develop here can help them achieve those targets cost-effectively while maintaining energy security.

These recommendations are designed to facilitate a seamless transition towards a low-emission economy, recognise the ongoing competitive advantage of Australia's resource exports in a cleaner energy future, ensuring that Australia remains globally competitive while meeting its emissions reduction targets.

Strategic investment and policy support in these areas will not only reduce emissions but also stimulate economic growth, create jobs, and position Australia as a leader in low emission technologies.

3

Support the development of CO_2 transport and storage infrastructure.

Converts Australia's large storage potential into an investable, scalable decarbonisation pathway for multiple industrial sites.

Lowers cost per tonne through shared assets, accelerates project investment decisions, supports regional jobs and industrial competitiveness

4

Establish a multi-year CCUS project development and scale-up package.

Current program is underfunded and risks stalling innovation before commercial scale is reached.

Drives innovation, bridges R&D and deployment, attracts private capital.

5

Adopt a technology-neutral approach to low carbon-hydrogen support.

Hydrogen programs currently favour green pathways despite growing demand for near-term low carbon-options.

Keeps Australia competitive, secures export contracts, enables scale-up.

1

Economic imperative

Australia faces the critical task of aligning economic growth with our international obligations to meet net zero targets by 2050. Investing in low-emission technologies is essential to maintain the competitiveness of our key industries in a global market that increasingly values sustainability and low-carbon operations.

Industries such as steel, cement, mining, and power generation are significant contributors to the Australian economy. Australia's resources and energy export earnings were an estimated $385 billion in 2024–2025, and mining contributed about $258 billion in gross value added in 2024–2025, which is around 9.3 per cent of GDP (based on ABS annual national accounts industry GVA and GDP current price series). These industries also provide substantial employment opportunities, with around 297,500 people employed in mining (trend, November 2025).[1]

However, these industries are emissions-intensive with, in many cases, limited pathways to decarbonise in the short-medium term. To ensure their long-term viability and competitiveness in a net zero consistent economy, it is imperative to reduce their greenhouse gas emissions while sustaining their economic contributions. Failure to adapt may result in some of Australia's trade exposed and emission intensive industries being forced offshore, to jurisdictions with fewer mechanisms to constrain CO_2 emissions. This risks both the loss of what would be efficient economic activity and growth in Australia as well as higher global greenhouse gas emissions.

Investing in low-emission technologies offers a solution. Advances like carbon capture, utilisation and storage (CCUS), low-emissions hydrogen, and industrial efficiency improvements can mitigate emissions from these hard-to-abate sectors while enabling them to remain productive. The International Energy Agency (IEA) estimates that CCUS will need to contribute around 15 per cent of cumulative global emissions reductions by 2070 to meet international climate targets.

Additionally, the global hydrogen economy is expected to grow dramatically; the IEA projects hydrogen use could increase seven-fold by 2070, with low-carbon hydrogen (produced via electrolysis or with CCS) contributing roughly 6 per cent of cumulative emissions abatement in that scenario. Australia can capture part of this emerging market by leveraging our natural resources to supply clean hydrogen and other low-carbon products.

Crucially, the transition to net zero represents not just a cost, but an opportunity to grow high-value, future-facing industries. Analysis from EY-Parthenon shows that scaling up CCUS deployment along Australia's east coast could:[2]

- create over 15,000 additional full-time jobs, particularly in regional communities
- grow Australia's GDP by more than $66 billion by 2050
- strengthen supply chains in construction, chemicals, electricity, and defence manufacturing.

Many of these jobs will be in high-skill occupations— engineers, geologists, trades, and technical services—with strong overlap between the capabilities of the resources sector and those required for the design and operation of CCS and hydrogen infrastructure. This makes CCS and associated technologies a logical and job-rich diversification strategy for coal and gas regions.

The 2026–2027 Federal Budget presents an opportunity for the Australian Government to provide technology-neutral support industries transitioning to a net-zero emissions future. Prioritising funding and policy support for low-emission technologies will facilitate this transition, helping to safeguard jobs, promote economic growth, and meet international emissions reduction commitments under agreements like the Paris Agreement. It will also signal the government's wider support for these emerging industries, industries that build on Australia's longstanding and demonstrated competitive advantages, and technologies that international and domestic energy and climate agencies recognise as crucial to achieving net-zero.

LETA is focused on developing and deploying technology solutions to reduce and remove greenhouse gas emissions from key industries. Our collaborative approach aims to deliver scalable solutions that align with both economic and environmental objectives.

Implementing the recommendations outlined in this submission will support industries in achieving emissions reductions while maintaining economic competitiveness. Investing in these solutions is essential for securing Australia's economic future and positioning the nation as a leader in sustainable industrial innovation.

2

The role of low emissions technology in mitigating climate change

There are several ways in which low emissions technologies can contribute to Australia's clean energy transition:

Carbon capture, utilisation, and storage (CCUS): Retrofitting carbon capture units to existing power and industrial facilities and installing them as part of new facilities to separate and capture greenhouse gas emissions.

Reducing emissions in hard-to-abate sectors: Supporting industries like cement, steel, and chemicals manufacturing—where Australia holds competitive advantages—to decarbonise effectively.

Low emissions hydrogen production: Producing clean hydrogen through both electrolysis using renewable energy and through using coal or natural gas as the feedstock, combined with technologies like CCUS, providing least-cost options in several regions.

Ventilation air methane (VAM) abatement: Capturing and using methane emissions from coal mining operations, reducing a potent greenhouse gas.

Almost all advanced economies have committed to reach net zero greenhouse gas emissions by 2050 or earlier. Both the International Energy Agency (IEA) and the Intergovernmental Panel on Climate Change (IPCC) have emphasised that achieving net zero without a portfolio of advanced technologies—including CCUS, hydrogen, and methane abatement—will be 'virtually impossible.' In Australia, the Climate Change Authority has similarly recognised that technologies like carbon sequestration and low-emissions hydrogen are essential for rapid decarbonisation, presenting significant opportunities for the nation.

Australia's commitments to reduce emissions by 62–70 per cent below 2005 levels by 2035 and achieve net zero by 2050 (along with any interim emissions reduction commitments) underline the need for economically competitive industries that leverage cleaner energy solutions. Access to diverse low-emissions technologies will be crucial to sustaining economic growth, improving productivity, and ensuring Australia's energy future is secure and sustainable.

For many industries covered under the Safeguard Mechanism, low-emissions technologies represent some of the most viable pathways to abatement. CCUS, for example, offers a cost-effective option for decarbonising industries like steel and cement that employ over 100,000 workers, while also enabling the production of low-carbon hydrogen. Similarly, methane abatement technologies can play a critical role in mining operations, reducing emissions while creating opportunities for resource utilisation.

Given the volume of emissions reductions required by 2050, deploying these solutions at scale will be essential. In 2022, 94 million of the 95 million tonnes of global hydrogen were produced using unabated coal and gas, highlighting the urgent need for technologies like CCUS to decarbonise these processes where renewable based hydrogen is not yet cost-competitive. Ventilation air methane abatement offers another complementary solution, turning an environmental challenge into an emissions reduction opportunity.

Active policy support from the Australian government is essential to unlocking the full potential of these technologies. A technology-neutral approach that embraces all commercially viable solutions, underpinned by market-based mechanisms and coordinated policy, is the most effective way to ensure Australia meets its climate commitments while maintaining international competitiveness. Low-emission technologies like those mentioned above are intended to work in tandem with, not instead of, the suite of 'green' technologies that currently receive significant levels of financial backing from government.

3

Australia's CCUS opportunity

Carbon capture, utilisation, and storage is not a new concept—in fact, CCUS technologies have been used since the 1970s to capture, compress, transport, and inject CO_2 for use or permanent storage in geological formations.

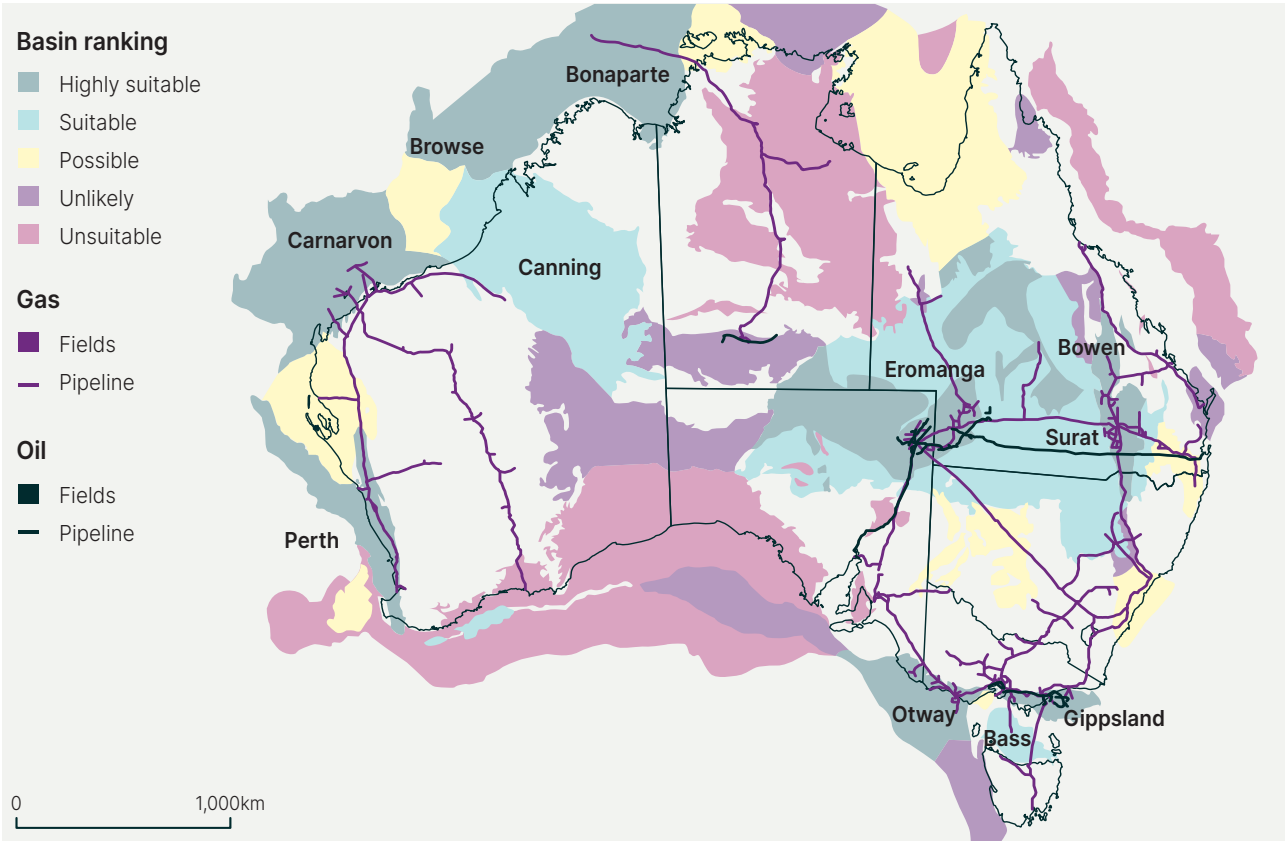
Australia has a natural competitive advantage for CCUS deployment, thanks to well-mapped, high-quality geological basins for CO_2 storage, existing pipeline and energy infrastructure, world-class technical expertise, and supportive regulatory regimes for environmental protection and carbon accounting.

A landmark study in 2004 estimated that Australia has over 1,600 years' worth of CO_2 storage capacity at its current annual emissions output—an enormous potential that newer analyses by Geoscience Australia and Australian universities have only reinforced. The federal government's ongoing support for pre-competitive geological mapping (to identify suitable carbon sequestration sites) is a crucial foundation, and LETA strongly supports this work.

Currently, two large-scale CCS projects are in operation in Australia: Chevron's Gorgon CO_2 Injection Project in Western Australia (the world's largest dedicated CCS facility), and Santos's Moomba CCS project in South Australia (which began injecting CO_2 in late 2024). These flagship projects demonstrate that industrial-scale carbon storage is feasible in Australian geology. Several other CCS initiatives are in advanced development—mostly concentrated around Western Australia's gas fields and industrial hubs—and a number of smaller pilot projects (such as the CO2CRC Otway Test Centre in Victoria) continue to build knowledge and confidence.

On Australia's east coast, independent analysis by EY-Parthenon has identified substantial potential for large-scale CCUS deployment, particularly in regions such as Queensland's Surat Basin. However, progress has been constrained by fragmented regulatory frameworks, uncertainty around long-term liability, and the absence of coordinated transport and storage infrastructure. EY-Parthenon finds that without clear policy signals, streamlined approvals processes, and mechanisms to de-risk early investment, viable capture projects are unlikely to proceed at scale. This highlights the need for governments to pair community engagement with consistent, science-based regulation and shared infrastructure planning to unlock the east coast's CCUS potential.

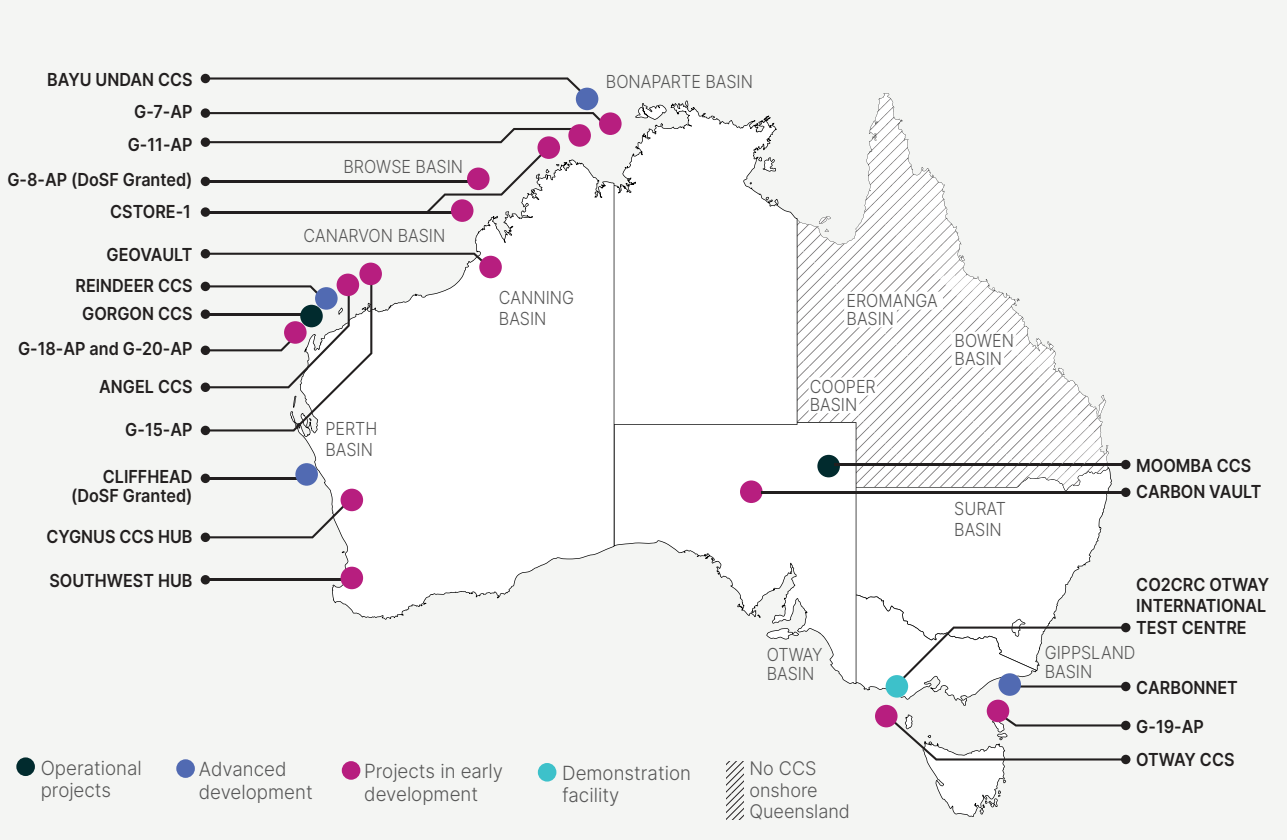
Figure 1: National and basin scale assessment of Australia's potential for CCS



SOURCE: GEOSCIENCE AUSTRALIA (2004).

Nonetheless, interest in Australian CO_2 storage is growing internationally. Many key trading partners in AsiaPacific (such as Japan and Korea) have limited CO_2 storage resources of their own but need CCS to meet their climate goals. Australia's combination of abundant storage geology and proximity to these markets puts us in a strong position to not only decarbonise our own industries, but potentially provide storage services or low-emissions commodities to the world. In 2022, IEA Executive Director Dr Fatih Birol specifically highlighted carbon capture (alongside renewables and hydrogen) as an area that Australia should prioritise on the global stage.

Figure 2: Australian CCS Projects, 2025



SOURCE: CO2CRC (2025).

4

Australian technology could reduce emissions around the world

Australia has a significant opportunity to lead the deployment of low emissions technologies, reducing greenhouse gas emissions both domestically and internationally.

To achieve net zero emissions at the lowest cost while sustaining economic growth, a combination of local and regional solutions is essential.

Australia has a significant opportunity to lead the deployment of low emissions technologies, reducing greenhouse gas emissions both domestically and internationally. Many of Australia's key trading partners—including Japan, South Korea, Vietnam, China, and India—have set ambitious net zero targets for 2050, 2060, and 2070. Achieving these goals at the lowest cost while maintaining energy security and economic stability is a shared priority for these nations.

These countries, with rapidly growing economies, depend heavily on Australia's coal for energy and industrial production. Many also operate relatively modern power plants and industrial facilities, including steel, alumina, and cement plants. This creates an important role for low emissions technologies.

These technologies enable countries to transition to cleaner energy systems while maintaining the energy security provided by traditional energy sources. Regional solutions, such as shared infrastructure for transport and storage of captured carbon, will also become increasingly critical to meet global emissions reduction goals.

Local solutions: Leveraging cost-effective storage and abatement technologies where available, considering factors such as CO_2 point sources, transport infrastructure, and geological storage capacity.

Regional solutions: Countries with limited storage capacity could still utilise low-emissions hydrogen or other feedstocks derived from fossil fuels, with storage occurring in resource-rich nations such as Australia or Indonesia.

LETA is actively exploring collaborative opportunities with trading partners such as Japan and South Korea. These initiatives include the development of CO_2 capture hubs targeting emissions from industrial facilities like steel and chemicals production, which frequently rely on Australian coal and natural gas resources.

This approach allows Australia to maintain its energy exports while helping trading partners achieve their net zero goals. The benefits are two-fold:

For trading partners: Assured energy security and access to clean energy solutions.

For Australia: New opportunities in CO_2 storage and broader low emissions technology deployment, leveraging its existing strengths in energy and resources.

5

Policy recommendations

1

Implement a national carbon capture, utilisation, and storage (CCUS) strategy.

Recommendation: **Allocate funding and resources to develop and implement a cohesive and comprehensive national CCUS strategy in collaboration with industry and scientific agencies.**

Australia requires a unified approach to CCUS to effectively meet its emissions reduction targets and facilitate the transition to a lower-emissions economy. A national CCUS strategy would streamline regulations by simplifying and harmonising regulatory frameworks across federal, state, and territory governments. This simplification would reduce red tape and provide much-needed clarity for investors, thereby encouraging significant private sector funding due to the certainty and stability it provides.

Internationally, likeminded countries are investing heavily in CCUS technologies to reduce emissions and stimulate economic growth. For instance, the United Kingdom has committed £22 billion (approximately A$40 billion) towards the common user infrastructure that will be required to establish two major carbon capture hubs—HyNet and the East Coast Cluster. This funding backs new carbon capture and CCUSenabled hydrogen projects with a combined capacity to reduce over 8.5 mtpa of CO_2. These projects have the potential to create 4,000 new jobs, bolster key British industries, and attract approximately £8 billion in private investment.

This support significantly reduces the financial barrier, removing the need for each and every project to invest in their own infrastructure, and instead utilise common pipelines and storage facilities. These UK Hub projects are projected to create thousands of new, skilled jobs, unlock billions of pounds in further investment, and support the UK's transition to net-zero emissions.

Similarly, the United States has historically led global support for CCUS through tax incentives like the Section 45Q credit, which was enhanced under the Inflation Reduction Act (IRA) to values of up to around USD 85 per tonne of captured and sequestered CO_2, providing a strong fiscal signal for industrial decarbonisation and carbon management investment.

Since 2025, US federal energy policy has shifted under the One Big Beautiful Bill Act (OBBBA), which phases some clean energy tax incentives but retains core industrial credits including the enhanced carbon sequestration incentives from the IRA, subject to new qualification timelines and conditions. While the legislative and regulatory landscape is evolving and broader climate policy has been recalibrated, key CCUS-focused tax credits such as 45Q continue to enjoy bipartisan backing in Congress due to their economic benefits and support in states with energy and industrial interests. This demonstrates that, despite broader policy shifts, there remains a substantive federal commitment to maintaining incentives that support CCUS technology deployment across multiple sectors of the US economy.

By investing in a comprehensive national CCUS strategy, Australia can keep pace with these global advancements. Such a strategy would foster innovation by leveraging the expertise of Australia's scientific agencies, like Geoscience Australia and CSIRO, to provide updated research into the safety and efficacy of CCUS technologies. It would set national standards for site selection and project development and establish incentives and financial support mechanisms that promote best practices. This investment would position Australia as a leader in carbon capture technologies, capitalising on natural resources while significantly reducing the carbon footprint.

2

Support mines and heavy industry to decarbonise by partnering on scope 1 emissions abatement projects

Recommendation: Allocate funding to co-fund scope 1 abatement projects with industry, including ventilation air methane (VAM) abatement and other proven methane and process emissions measures.

Methane emissions from coal mines represent approximately 6 per cent of annual national emissions. Addressing these emissions through abatement projects is essential for significant environmental impact. Partnering with industry to deploy VAM abatement technology will enable the mining sector to transition to lower emission operations without compromising economic growth or jobs.

This support promotes innovation by encouraging the adoption of advanced technologies within the sector. It helps protect jobs by allowing the mining industry to continue its contribution to the economy sustainably. Furthermore, it enhances Australia's global standing as a leader in sustainable resource management, showcasing a commitment to reducing emissions in traditionally high-emitting industries.

Funding would be required for pilot projects and the broader deployment of VAM abatement technologies. Financial incentives or subsidies could be offered to offset the initial costs of implementing these emissions reduction technologies, making them more accessible to mining operations. Additionally, supporting collaborative initiatives between government, industry, and research institutions would necessitate allocated resources to facilitate these partnerships.

LETA would welcome the opportunity to co-fund VAM abatement projects with the Australian Government.

3

Build CO_2 transport and storage infrastructure

Recommendation: Create a dedicated common-user CO_2 transport and storage infrastructure initiative, including funding for shared compression and conditioning facilities, pipeline and shipping corridors, storage appraisal and certification, and fit-for-purpose long-term stewardship arrangements.

Australia has abundant geological storage potential, but most CCUS projects will not proceed at scale unless Australia develops shared, regulated CO_2 transport and storage networks. In the absence of common-user infrastructure, each proponent is forced to design and fund bespoke pipelines, compression facilities and storage arrangements, which increases project cost, extends delivery timelines, and makes smaller capture opportunities uneconomic. The Federal Budget should therefore prioritise enabling infrastructure that transforms dispersed capture prospects into bankable, multi-user projects and creates the foundations for large-scale deployment over time.

The Budget should establish a dedicated common-user CO_2 infrastructure program to co-fund front-end engineering design, approvals and construction of shared transport and storage assets. This program should be designed to support infrastructure that can service multiple emitters, expand as additional projects connect, and operate under transparent access and pricing principles. Government co-investment is most valuable at the enabling stages, where costs are high and risks are concentrated, including corridor planning, permitting, early engineering, and the initial backbone assets that deliver economies of scale for all users.

The program should also support the backbone infrastructure required to move CO_2 safely and efficiently from capture sites to storage. This includes shared compression and dehydration facilities, metering and custody transfer systems, and pipeline corridors or shipping logistics where appropriate. In practical terms, common-user corridors reduce duplication, lower unit transport costs, and shorten project development timelines by providing a known route to market for captured CO_2. Investment in shared corridor infrastructure also enables industrial clusters and regional facilities to participate, rather than limiting participation to only the largest emitters capable of building dedicated systems.

In parallel, the Budget should fund storage appraisal and certification to de-risk investment and improve the bankability of Australian storage resources. Storage uncertainty is a material barrier to final investment decision, particularly where proponents cannot demonstrate reliable injection rates, sufficient storage capacity, and credible monitoring baselines.

Government support should therefore include seismic surveys, test wells, baseline monitoring studies, and the technical work needed to certify storage resources to a standard that financiers and insurers can rely on. Where appropriate, this should include shared monitoring, measurement and verification capability that can be used across multiple projects and reduces the burden on individual proponents.

The Budget should also resource the regulatory and market settings required for third-party access to transport and storage services. A scalable CCUS market requires consistent permitting pathways, clear rules for access and expansion, and long-term liability and stewardship arrangements that provide confidence in permanent storage outcomes. These settings are essential to attract private capital into transport and storage business models and to enable 'storage as a service', where proponents can contract for transport and storage capacity without needing to own and operate the infrastructure themselves. Regulatory clarity also reduces transaction costs, supports competition, and improves the capacity for infrastructure owners to finance expansions as demand grows.

Finally, government should consider targeted mechanisms that help bring forward early utilisation of shared infrastructure and lower the cost of capital for first mover hubs. Early hubs face a coordination problem, where the infrastructure must be built before there is sufficient contracted volume, yet capture projects need confidence that transport and storage will be available. Carefully designed mechanisms such as contracts for difference, availability payments for common-user assets, or limited underwriting for initial capacity can reduce this risk and accelerate final investment decisions, while maintaining a clear pathway to transition toward private financing as utilisation increases.

A common-user CO_2 transport and storage initiative would deliver clear benefits. It would reduce the cost per tonne of abatement by spreading fixed infrastructure costs across multiple facilities and improving economies of scale. It would accelerate deployment by avoiding bespoke one-off infrastructure and creating a repeatable pathway for new capture projects to connect. It would support regional jobs and industrial competitiveness by enabling hard-to-abate sectors, including resources, manufacturing and power, to decarbonise while maintaining output. It would also position Australia to participate in emerging cross-border CO_2 transport and storage value chains with key trading partners by developing the physical and regulatory foundations needed for future growth.

4

Establish a multi-year CCUS project development and scale-up package

Recommendation: Introduce a multi-year package that supports CCUS projects from feasibility through to final investment decision and early operations, including funding for studies, front-end engineering design, approvals, and first-of-a-kind deployment.

Australia's CCUS pipeline is constrained by the cost and risk of moving from concept to bankable investment. A targeted, multi-year package should focus on the stages where projects commonly stall, including pre-feasibility and feasibility studies, front-end engineering design, storage appraisal integration, and commercial and regulatory readiness. This support would bridge the gap between research and commercialisation, crowd in private capital, and increase the number of projects that can reach final investment decision.

This package should be complemented by a scope 3 emissions reduction fund approach that helps de-risk first mover investment in lower-emissions industrial value chains. Many of Australia's trading partners are seeking credible pathways to reduce embedded emissions in imported steel, cement, chemicals and fuels, and are increasingly prioritising suppliers that can demonstrate lower-carbon production.

A scope 3 mechanism can support early demand signals and co-investment across the value chain, enabling Australian projects to move first and secure long-term commercial positions in emerging lowemissions markets. This is particularly important for first-of-a-kind projects, where cost and delivery risk are highest and where early customer commitments can be decisive in reaching final investment decision. By aligning with trading partners and supply chain customers, Australia can lock in strategic industrial value chains, support high income regional and industrial jobs, and protect and grow export revenue as global procurement standards tighten.

This measure should be designed to complement existing programs and provide predictable funding over multiple budget cycles so proponents can plan, partner, and co-invest with confidence. It should prioritise projects that deliver material emissions reductions in hard-to-abate sectors and that can connect to shared transport and storage solutions as they develop.

5

Adopt a technology-neutral approach to support for hydrogen production

Recommendation: Implement an outcomes-based, technology-neutral framework across Commonwealth hydrogen support mechanisms, including the Hydrogen Production Tax Incentive and Hydrogen Headstart, with eligibility based on credible emissions-intensity thresholds.

Adopting a technology-neutral approach will encourage innovation by supporting a range of hydrogen production methods, including renewable hydrogen and low-carbon hydrogen produced from coal or natural gas with CCS. This will allow the most efficient, scalable, and cost-effective technologies to emerge naturally, fostering a globally competitive hydrogen sector.

By maximising resource utilisation, Australia can leverage its unique natural resources and existing infrastructure, such as renewable energy assets and carbon capture capabilities. This approach enhances competitiveness by creating a level playing field that accelerates the deployment of commercially viable hydrogen projects across various production methods.

Ensuring flexibility within the hydrogen industry is vital for its resilience and ability to adapt to future technological advancements. A technology-neutral policy framework will build a more robust industry, capable of responding to market demands and technological innovations.

Adjusting existing funding programs to be inclusive of all low-emission hydrogen production technologies would not necessarily require additional budget allocation but would involve policy changes to existing frameworks. Providing equitable financial incentives, regardless of the production method—if they meet emissions reduction criteria—ensures fair support across the industry. Allocating resources for research and development across different hydrogen technologies would further stimulate innovation and industry growth.

Notes

1 Australian Government, Department of Industry, Science and Resources, Resources and Energy Quarterly, December 2025; Australian Bureau of Statistics, Labour Force, Australia, Detailed, November 2025.

2 See, Beneath the Surface: The Economic Potential for CCS in Australia's Eastern States, EY-Parthenon, 2025, letaustralia.com.au/reports/the-economic-potential-for-carbon-capture-and-storage-in-australias-eastern-states.