

FEDERAL BUDGET MEASURES A MISSED OPPORTUNITY FOR LOW EMISSIONS TECHNOLOGIES

Last night's Federal Budget was a missed opportunity to invest in technologies that will play a critical role in the world's efforts to get to net-zero carbon emissions.

LETA Chief Executive Officer, Mark McCallum said while it is encouraging to see Australian Government recognition of the importance of technologies like hydrogen, there is still a very challenging road ahead of us.

"While initiatives like Hydrogen Headstart put us in the race, we are still a long way behind our international competitors in the US, UK and Europe. These countries are spending billions to decarbonise their hard to abate industries like steel, cement and power, and attract new clean industries of the future like hydrogen."

"Hydrogen Headstart's exclusive focus renewable hydrogen only misses an opportunity to focus on all hydrogen production pathways, in including clean hydrogen using coal, gas or biomass with carbon capture and storage (CCS).

"It also stands in contrast with the approach taken in the US through the *Inflation Reduction Act*, which provides significant support for CCS and for all forms of clean hydrogen production.

"Hydrogen with CCS is an extremely competitive source of clean hydrogen. Australia must be a low-cost producer to be competitive.

"The Inflation Reduction Act provides a deliberately technology neutral tax credit that aims to level the playing field between various low-carbon energy technologies such as solar, wind, nuclear, batteries, carbon capture, and others by encouraging investments in the most impactful and commercially available technology."

"Given there are clean energy projects already planning to leave the region, or at the very least curtail investment, the importance of remaining technology agnostic so that we can protect jobs, the economy and our energy security cannot be stressed enough.

"Supporting all production pathways and technologies that are capable of producing clean hydrogen gives our emerging hydrogen industry flexibility to pursue the pathways that best meet customer preferences as global markets emerge.

"The Budget results underline the importance of Australia's resources and energy industries to the nation's energy and economic security and has reaffirmed the vital and significant contribution they make in creating thousands of jobs, billions of dollars in wealth, and sustaining Australia's economic growth and revenue base.

"As we move to a net zero emission future, Australia's resource industries like coal and natural gas will continue to make a significant contribution to the wealth of all Australians through investments in low emission technologies.

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LETA

Low Emission Technology Australia

“In recognising this, our global competitors are playing to their strengths and investing heavily in the decarbonisation efforts of their industries and rapidly accelerating the deployment of these technologies.”

“As other nations invest in the technology required to build the clean energy economies of the future, our long-term traditional trading partners like Japan and Korea are looking to Australia for similar signals that we can be relied upon as a leading energy exporter and ensure international competitiveness in a lower-carbon future.

“The more we can encourage investment, the faster we can bring these technologies to commercial scale, reduce costs and transition to a low carbon economy.

LETA looks forward to continuing to work with the Albanese Government as we take action and invest in innovative and economically viable solutions to get to net-zero.

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