

2023-24 Federal Budget could shape Australia's future in the global energy transition

SYDNEY, 14 March 2023 – The Business Council of Australia, Australian Council of Trade Unions, World Wide Fund for Nature-Australia and the Australian Conservation Foundation are re-joining forces to represent Australian businesses, workers, and our environment in a joint submission to the 2023-24 Federal Budget.

Prepared by Accenture, *Sunshot in 2023: Accelerating towards Australia's renewable exports opportunity*, outlines three key areas of focus to secure a leading role for Australia in the net zero economy, and to ensure all Australians benefit from the global energy transition:

1. World-leading renewable exports industries
2. Sufficient domestic renewable buildout
3. A coordinated, long-term just transition for workers and communities

Australia has made positive steps in each of these key areas, but with major shifts in global policy and significant investments being made by key trading partners, more must be done to maximise Australia's economic opportunities.

In August 2022, President Biden signed a massive A\$532 billion clean energy stimulus package to make America a heavy lifter on clean energy transition. In February 2023, The European Commission followed with its A\$410B 'Green Deal Industrial Plan,' and a Joint EU-US Taskforce on the *Inflation Reduction Act (IRA)* was established. South Korea allocated A\$90 billion to its 'Green New Deal,' and Japan intends to issue A\$220B billion in green transition bonds. Even Saudi Arabia plans to invest A\$400 billion to become a world leader in renewable hydrogen exports.

The report outlines three specific Budget priorities to accelerate Australia's transition and grow our renewable export capabilities to ensure we don't fall further behind:

1. Commit A\$10 million in the 2023-24 Budget for the Net Zero Economy Taskforce to develop a National Renewable Exports Strategy
2. Develop a National Renewable Infrastructure Plan to urgently accelerate the development of new renewable energy in Australia
3. Establish and fund an independent national-level Energy Transition Authority

Sunshot 2023 is the second report from the alliance of partners, after its 2021 report *Sunshot: Australia's opportunity to create 395,000 clean export jobs*, which set a vision for a low-emissions future with six renewable export opportunities. This updated report concludes the six opportunities could now support over 400,000 jobs and contribute over A\$100 billion to the Australian economy by 2040.

Significant developments in global climate policy and energy markets have transformed the terrain for Australian policymakers, major economies have accelerated their shift to renewable energy, and extreme climate-induced weather events have displaced communities and impacted our economy.

Now, huge pools of capital are coalescing around clean technologies, and global competition for investment is intensifying.

Despite being home to some of the best sun, wind and critical mineral resources in the world and having a geographical advantage positioned close to the major economies of Asia, if we don't match the ambition and pace of our trade partners, we risk losing our window of opportunity and access to the capital required to realise our ambition as a global leader.

Quotes attributable to BCA chief executive Jennifer Westacott:

"Australia is in a global race to attract the capital we'll need to decarbonise, harness new technology and create the industries of the future. Other nations like the United States are acting now, we can't

risk squandering our natural advantages and losing out on the jobs and opportunities this change can deliver.

“The critical minerals sector alone represents one of our biggest export opportunities which could generate \$20 billion in gross value added. Australia currently holds just 1 per cent of the global market share in critical minerals refining, so we have huge opportunities to expand.

“Australian businesses are already investing in clean technology and renewable energy, by harnessing our world leading capabilities, resources, and skills we can do even more to become a world leader.”

Quotes attributable to ACTU President Michele O’Neil:

“A just energy transition and the development of world-leading renewable export industries present huge opportunities to create new, secure, well paid jobs for workers across Australia.

We have the chance to create over 400,000 new jobs and upskill over 150,000 additional workers to accelerate infrastructure buildout, power the energy transition, and help the world decarbonise.

We need decisive action in the 2023-24 Budget from the Federal Government to ensure we seize the opportunity to create these high-quality jobs and industries, build a sturdy bridge to the net zero future, and leave no worker or community behind.”

Quotes attributable to WWF-Australia chief executive Dermot O’Gorman:

“Australia will play a leadership role in the global effort to achieve net-zero emissions. We have some of the best sun and wind resources in the world and the potential to become a renewable energy superpower. Australian businesses are starting to seize this opportunity, but it won’t happen at speed and scale without structural adjustment, innovation, and the leveraging of trillions in financing.

“We need greater ambition and co-ordination to claim our place in a zero emissions global economy. Otherwise we risk being left behind, given the massive incentives for clean technology now on offer in the USA, EU, India, East Asia and even Saudi Arabia.

“A renewable export strategy will help Australia to focus on the best export opportunities – like green metals, critical minerals, and batteries – and drive greater investment in our domestic renewable infrastructure. If we do this right, we can create a future that benefits our environment, communities and the economy.”

Quotes attributable to Australian Conservation Foundation chief executive Kelly O’Shanassy:

“Australians are suffering devastating climate-induced floods, fires and droughts, which emphasises the urgency to decarbonise Australia and help other countries decarbonise fast. At the same time, many of our global trade partners have introduced significant new green deals which are threatening Australia’s opportunity to lead.

Our climate, our industries and workers can all benefit from a quick and decisive transition to renewables, but our window is closing fast.

To ensure we protect our communities and environment, and capture the opportunity to be a global superpower, we must act fast, with commitments backed by investment in this 2023-24 Federal Budget.”

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About Accenture

Accenture is a leading global professional services company that helps the world's leading businesses, governments and other organizations build their digital core, optimize their operations, accelerate revenue growth and enhance citizen services creating tangible value at speed and scale. We are a talent and innovation led company with 738,000 people serving clients in more than 120 countries. Technology is at the core of change today, and we are one of the world's leaders in helping drive that change, with strong ecosystem relationships. We combine our strength in technology with unmatched industry experience, functional expertise and global delivery capability. We are uniquely able to deliver tangible outcomes because of our broad range of services, solutions and assets across Strategy & Consulting, Technology, Operations, Industry X and Accenture Song. These capabilities, together with our culture of shared success and commitment to creating 360 value, enable us to help our clients succeed and build trusted, lasting relationships. We measure our success by the 360 value we create for our clients, each other, our shareholders, partners and communities. Visit us at www.accenture.com.

About ACF

The Australian Conservation Foundation is Australia's national environment organisation. We are 700,000 people who speak out for the air we breathe, the water we drink, and the places and wildlife we love. We are proudly independent, non partisan and funded by donations from our community.

About ACTU

The Australian Council of Trade Unions is the peak body for Australian unions, made up of 38 affiliated unions who together represent about 1.8 million workers and their families.

About BCA

The Business Council of Australia represents Australia's largest employers, advocating for good policy on behalf of the business community and the Australians they employ.

About WWF

Australia is part of the world's leading conservation network and has been working to create a world where people live in harmony with nature since 1978. WWF's mission is to stop the degradation of the earth's natural environment and to build a future in which humans live in harmony with nature. At every level, we collaborate with people around the world to develop and deliver innovative solutions that protect communities, wildlife, and the places in which they live. Since 2019, WWF has been advocating for Australia to become a world leading renewable energy export nation through its Renewables Nation program.