



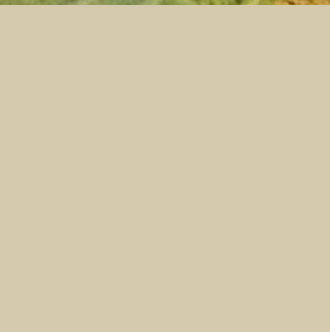
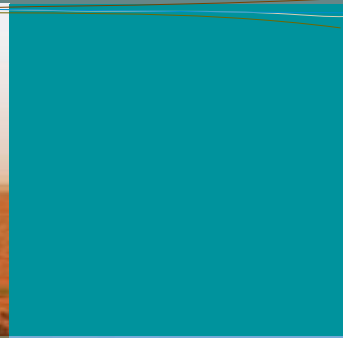
Australian Government
Department of Climate Change

CLIMATE CHANGE BUDGET OVERVIEW

2008–09



MESSAGE FROM THE MINISTER

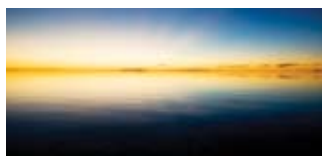


Climate change is one of the greatest social and economic challenges of our time. It is a global problem requiring a global solution. Australia must play its part in reaching that global solution through our actions at home and abroad.

The Government is taking responsibility for climate change by: reducing Australia's greenhouse gas emissions; adapting to climate change that we cannot avoid; and helping to shape a global solution.

The Rudd Labor Government has delivered \$2.3 billion over the four years of this Budget to help individuals, communities and businesses meet the challenges of climate change as we work in partnership with other nations to develop cooperative, global solutions.

The Government has established the Department of Climate Change within the Prime Minister's portfolio to deliver Australia's climate change policy.



All portfolios under the Rudd Government are committed to addressing climate change.

The Government will reduce Australia's greenhouse gas emissions by 60 percent of 2000 levels by 2050. Later in 2008, we will announce medium term targets to put Australia firmly on a path to those reductions.

The centre-piece of the emissions reduction strategy is the introduction of an Emissions Trading Scheme in 2010. The successful introduction of this scheme will be the most significant economic and structural reform undertaken in Australia since the trade liberalisation of the 1980s. Additional funding in this Budget of \$37.3 million over four years will ensure that the scheme is designed to maximise the benefit of this reform for Australia.

Recognising that emissions trading alone will not enable Australia to achieve its reduction goals, the Government will also invest in complementary measures to encourage research and development, increase the use of low emissions technologies and address market failures, such as in the area of energy efficiency.

The Government's target of a 20 per cent share for renewable energy in Australia's electricity supply by 2020 is also a core part of our climate change policy.

In addition, the Government will provide \$1.0 billion since the 2007-08 Budget to help Australians to make their homes and communities more energy efficient and to help Australian businesses to reduce their impact on the environment.

Building a clean energy future is critical to significant emissions reductions in Australia and globally, and will drive business opportunities. The Budget provides \$1.7 billion to support Australia's world leading scientists and researchers in their work to improve energy efficiency and clean energy options. This includes support for early-stage commercialisation of clean energy technologies, such as clean coal and renewables.

The Government is encouraging and supporting adaptation to the impacts of climate change that we cannot avoid. The Budget provides more than \$138.0 million to gather data on the impact of climate change on Australia and its unique environment and to begin the challenging process of adaptation.

The Government is working actively to help shape a global solution to the problem of climate change.

Following the Government's ratification of the Kyoto Protocol, this Budget provides the Department of Climate Change with the resources it needs to dramatically step up its international engagement.

Australia is also working directly with its neighbours in the Asia-Pacific region. The Australian Government has invested \$150.0 million to strengthen climate change adaptation efforts, focusing on countries in Australia's region where communities are at significant risk from the impacts of climate change.

The Government is moving forward on climate change. This Budget delivers new programs and funding to help Australians meet the climate challenge and make the necessary changes to secure our economic prosperity and our natural environment.

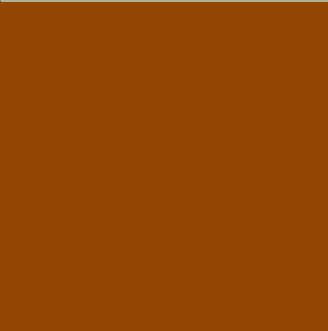
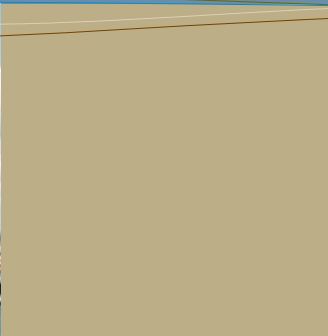


Senator the Hon Penny Wong
Minister for Climate Change and Water





AUSTRALIA'S CLIMATE CHANGE STRATEGY



Climate change is the challenge of our generation. It is a global challenge that requires a global solution.

In his first act as Prime Minister, the Hon Kevin Rudd MP ratified the Kyoto Protocol and led the Australian delegation to the Bali climate change negotiations. Australia was instrumental in securing agreement on the Bali roadmap for the international community to agree on post-2012 action on climate change.

The Australian Government's climate change policy is built on three pillars: reducing Australia's greenhouse gas emissions; adapting to climate change that we cannot avoid; and helping to shape a global solution.

The Government is moving quickly to implement its comprehensive framework for tackling climate change in Australia. This framework will create new opportunities for Australia to lead the way in tackling climate change.



TACKLING CLIMATE CHANGE – DEPARTMENT OF CLIMATE CHANGE – ESTABLISHMENT

Department of Climate Change within the Prime Minister's Portfolio

- Invests \$59.0 million¹ over four years in the newly established Department of Climate Change to deliver Australia's climate change strategy.
- The primary functions of the Department of Climate Change will be to:
 - Lead the development of a whole of government strategic framework for international and domestic climate change policy.
 - Coordinate the development and oversee implementation of domestic climate change policies.
 - Lead international climate change negotiations.

¹ This figure includes \$37.3 million for the establishment of an emissions trading scheme and \$21.7 million for other Departmental funding.

- Coordinate and oversee international policies and programs that assist in achieving our international climate change objectives.
- Lead development and implementation of the emissions trading scheme.
- Coordinate advice on adjustments to the Commonwealth's domestic and international climate change policies and measures to ensure that they support the new emissions trading scheme, and lead work on the streamlining of measures across jurisdictions.
- Implement the expanded Renewable Energy Target.
- Implement legislation on greenhouse emissions and energy consumption reporting.
- Develop a strategic approach to climate change adaption and coordinate its implementation.
- Coordinate climate change science activities.

TACKLING CLIMATE CHANGE – GARNAUT CLIMATE CHANGE REVIEW – CONTRIBUTION

Department of Climate Change within the Prime Minister's Portfolio

- Supports the landmark Garnaut Review, an independent review that will examine the impacts of climate change on the Australian economy.
- \$2.3 million in new funding will:
 - Allow the Australian Government to work in partnership with state and territory governments to progress the Review.
 - Ensure that the Review has access to the climate change and economic policy expertise within the Commonwealth public service.
- The Review will provide recommendations on the medium to long term policy options for Australia, and the time path for their implementation.



GOVERNMENT LEADING BY EXAMPLE

TACKLING CLIMATE CHANGE – CLIMATE CHANGE IMPLEMENTATION PROGRAM

Department of Defence

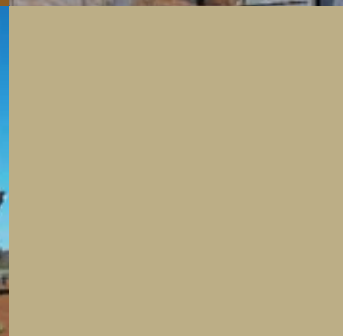
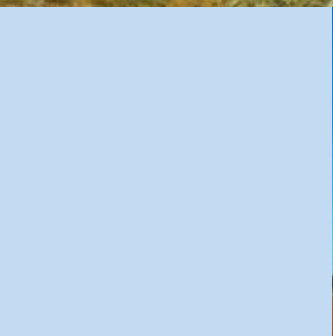
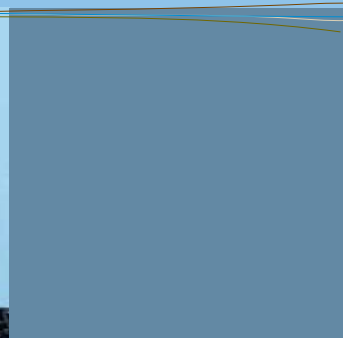
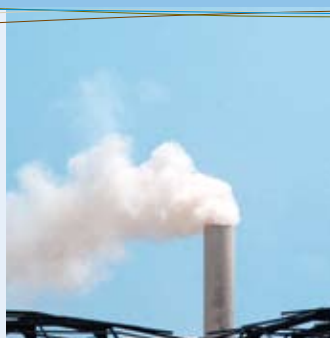
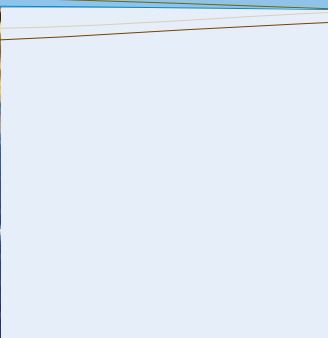
- Provides \$8.0 million² to progress a Combat Climate Change Program to reduce energy consumption by the Department of Defence. The program aims to increase awareness of greenhouse gas emission implications of energy use.
- The program includes:
 - identification and implementation of energy, water and waste efficiency projects and initiatives;
 - development of the Climate Change Strategy for Defence, which will support other program areas including Green Building Implementation, and energy, water and waste management activities; and
 - ongoing review to ensure continuing effectiveness of the Defence Energy Management, Water Management and Waste Minimisation policies and strategies, and update when necessary to encompass new or emerging government requirements.



² Funded from existing resources.

REDUCING AUSTRALIA'S GREENHOUSE GAS EMISSIONS

ESTABLISHING AN EMISSIONS TRADING SCHEME



The Australian Government is committed to reducing emissions to 60 per cent of 2000 levels by 2050.

The key policy for reducing emissions will be the introduction of an emissions trading scheme, starting in 2010.

The Government has provided \$68.9 million to support the design of the emissions trading scheme and modelling of greenhouse gas emission reduction goals.

TACKLING CLIMATE CHANGE – EMISSIONS TRADING SCHEME – DESIGN AND IMPLEMENTATION

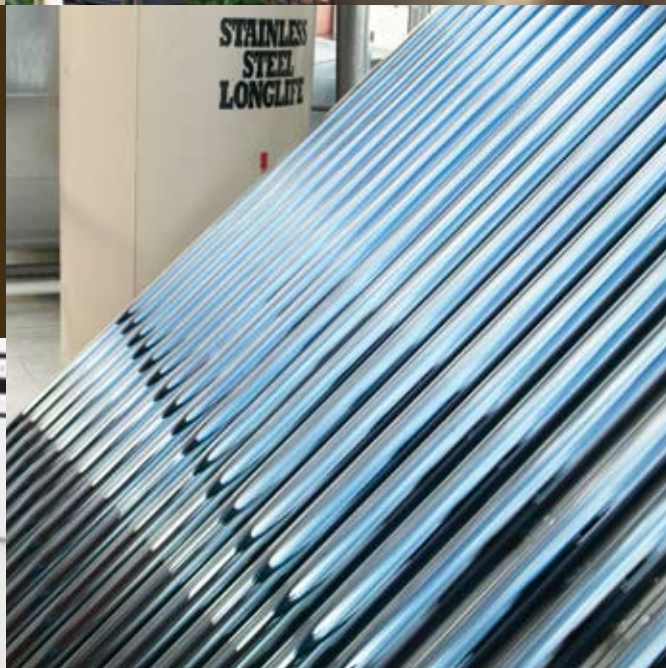
Department of Climate Change within the Prime Minister's Portfolio, The Treasury, Australian Bureau of Statistics, Department of the Prime Minister and Cabinet, Department of Agriculture, Fisheries and Forestry

- Provides \$68.9 million, including \$31.6 million³ of previous funding, to design, implement and operate an environmentally effective, economically responsible and equitable national greenhouse gas emissions trading scheme, contributing to one of the most significant economic and structural reforms undertaken in Australia.
- Ensures comprehensive analysis of the economic impacts of greenhouse gas emission reduction goals and other key design features of an emissions trading scheme.
- Improves the quality and availability of data required to support this analysis and the design of the scheme.
- The following principles will guide the development of Australia's emissions trading scheme:
 - will be a cap and trade scheme;
 - will be designed to place Australia on a low emissions path in a way that best manages the economic impacts of transition while assuring our ongoing economic prosperity;
 - will have maximum coverage of greenhouse gases and sectors to the extent that is practical;
 - will address the competitive challenges facing emission-intensive trade-exposed industries in Australia;
 - will address the impact on strongly affected industries; and
 - will be designed to enable international linkages, while ensuring it suits Australia's economic conditions.
- Measures will be developed to assist households, particularly low income households, to adjust to the impact of carbon prices.

³ Funding was allocated in the 2007–08 Additional Estimates (see Appendix 2).

REDUCING AUSTRALIA'S GREENHOUSE GAS EMISSIONS

SUSTAINABLE HOMES



The Government will invest more than \$700.0 million to help Australians overcome barriers to making their homes more environmentally sustainable.

Through these measures households will receive incentives and information to make responsible choices and take practical action in their own homes.

TACKLING CLIMATE CHANGE – GREEN LOANS

Department of the Environment, Water, Heritage and the Arts

- Provides \$300.0 million over five years for low interest green loans of up to \$10,000 to assist families to install solar, water, and energy efficient products.
- Provides participating households with a Green Renovation Pack and a sustainability assessment identifying potential energy and water efficient actions, complete with estimated savings to electricity and water bills and environmental benefits.
- Increases awareness of the benefits of energy efficient technologies in Australian households.
- Delivers cost-effective greenhouse gas emissions reductions in up to 200,000 existing households.
- Strengthens the Australian community's contribution to energy efficiency and increases green inspired investment in households, which will benefit the small business sector.



TACKLING CLIMATE CHANGE – SOLAR HOT WATER SYSTEMS: REBATES FOR HOUSEHOLDS⁴

Department of the Environment, Water, Heritage and the Arts

- Provides eligible households with rebates of up to \$1,000 for the installation of solar or heat-pump hot water systems.
- Reduces Australia's total greenhouse gas emissions by providing \$252.2 million⁵ over five years to encourage the domestic use of solar and heat pump hot water systems in Australian homes, providing a cost-effective way for Australians to switch to clean energy.
- Helps consumers save on their energy bills.

TACKLING CLIMATE CHANGE – HOT WATER SYSTEM PHASE-OUT – DEVELOPMENT AND IMPLEMENTATION

Department of the Environment, Water, Heritage and the Arts

- Provides \$7.9 million⁶ over four years to support the gradual phase-out inefficient hot water systems used in Australian homes.
- Works with state and territory governments and industry to develop nationally consistent greenhouse performance standards for domestic hot water products to meet new performance requirements.
- Introduces check-testing for hot water products to ensure suppliers are providing products that meet the new performance requirements.

TACKLING CLIMATE CHANGE – SOLAR HOMES AND COMMUNITIES PLAN⁷

Department of the Environment, Water, Heritage and the Arts

- Increases funding in 2008-09 to address the growing demand for photovoltaic rebates by Australian households by bringing forward funding from future years.
- Ensures that rebates get to the households that need them most through introduction of a means test, with households with an annual taxable income of less than \$100,000 eligible for the rebates.
- Maintains the maximum rebate available under the program at \$8,000.

⁴ This measure was included in the Mid-year Economic and Fiscal Outlook 2007-08.

⁵ Funding for this measure was allocated in the 2007-08 Additional Estimates (see Appendix 2).

⁶ Funded from existing resources.

⁷ Previously called the Photovoltaic Rebate Program.



TACKLING CLIMATE CHANGE – LOW EMISSION PLAN FOR RENTERS – ESTABLISHMENT

Department of the Environment, Water, Heritage and the Arts

- Provides \$150.0 million over five years to reduce the significant barriers to the installation of insulation in up to 300,000 existing rental homes, particularly by helping landlords overcome the initial cost barrier.
 - Delivers rebates of up to \$500 to landlords to accelerate the greater use of insulation.
 - Reduces greenhouse gas emissions in rental homes across Australia.
 - Assists Australians to save money on their energy bills.
-

TACKLING CLIMATE CHANGE – ONE STOP GREEN SHOP – ESTABLISHMENT

Department of the Environment, Water, Heritage and the Arts

- Provides \$3.0 million over three years to help households, schools and small business to easily access energy and water efficiency advice and assistance.
 - Links schools, businesses and families to all Australian Government and state, territory, and local government household efficiency programs through a single, user friendly government web portal.
 - Builds on partnerships between all levels of government to streamline and implement household efficiency measures across jurisdictions.
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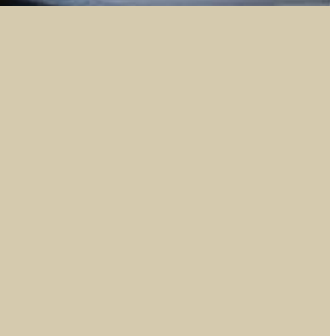
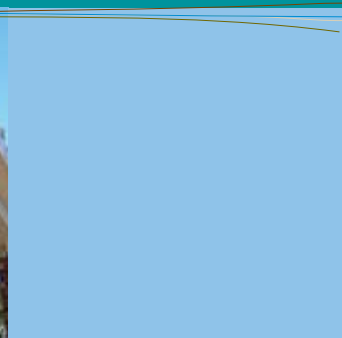
TACKLING CLIMATE CHANGE – ENERGY EFFICIENCY OF ELECTRICAL APPLIANCES

Department of the Environment, Water, Heritage and the Arts

- Contributes \$14.0 million over four years to improve the energy efficiency of electrical appliances used by all Australians.
- Expands the current six-star Energy Rating Label to a 10-star rating system and introduces Greenhouse and Energy Minimum Standards.
- Assists families in identifying the most energy efficient and cost effective appliances for their homes.
- Accelerates and strengthens energy efficiency and greenhouse performance standards.

REDUCING AUSTRALIA'S GREENHOUSE GAS EMISSIONS

SUSTAINABLE COMMUNITIES



The Government will encourage local communities to better manage their water and energy use for current and future generations.

More than \$500.0 million will be provided for schools, Green Precincts and Solar Cities to educate and encourage Australian communities.

TACKLING CLIMATE CHANGE – SOLAR CITIES

Department of the Environment, Water, Heritage and the Arts

- Expands the Solar Cities program to build new Solar Cities in Perth and Coburg, supported by \$18.8 million⁸ in funding.
- Facilitates the collection of information to help families better manage their energy use and save money, while creating opportunities for industry to develop and test innovative new and sustainable energy options.
- Demonstrates how new approaches to energy efficiency, such as solar power and smart meters, can combine to provide a sustainable energy future in urban Australia.
- Identifies and addresses the barriers to the use of sustainable energy options.



TACKLING CLIMATE CHANGE – NATIONAL SOLAR SCHOOLS PLAN

Department of the Environment, Water, Heritage and the Arts

- Assists schools to take practical action to tackle climate change by providing grants of up to \$50,000 for each school to install a wide variety of energy and water saving measures.
- Invests \$480.6 million⁹ over eight years to ensure all our schools can become solar schools.
- Reduces school energy and water bills, and raises awareness of clean energy technologies in our communities.
- Creates new jobs and investment in Australia's sustainable industries and trades.

⁸ Funding for this measure was allocated in the 2007–08 Additional Estimates (see Appendix 2).

⁹ Funding for this measure was allocated in the 2007–08 Additional Estimates (see Appendix 2).

TACKLING CLIMATE CHANGE – GREEN PRECINCTS

Department of the Environment, Water, Heritage and the Arts

- Invests \$15.0 million over four years towards the establishment of Green Precincts, with \$6.2 million over three years initially provided in new funding¹⁰, and the remaining \$8.8 million to be funded from the Water for the Future – National Water Security Plan for Cities and Towns.
- Supports the development of at least 10 high profile Green Precincts around Australia, by investing in demonstration projects that ensure water and energy saving initiatives are in the public eye.
- Projects will demonstrate significant water savings and reductions in energy use, including substantial use of renewable energy, and will be built in facilities used by thousands of people.
- Encourages families to use water and energy saving measures in their own homes.

TACKLING CLIMATE CHANGE – DECEPTION BAY POOL – CONTRIBUTION

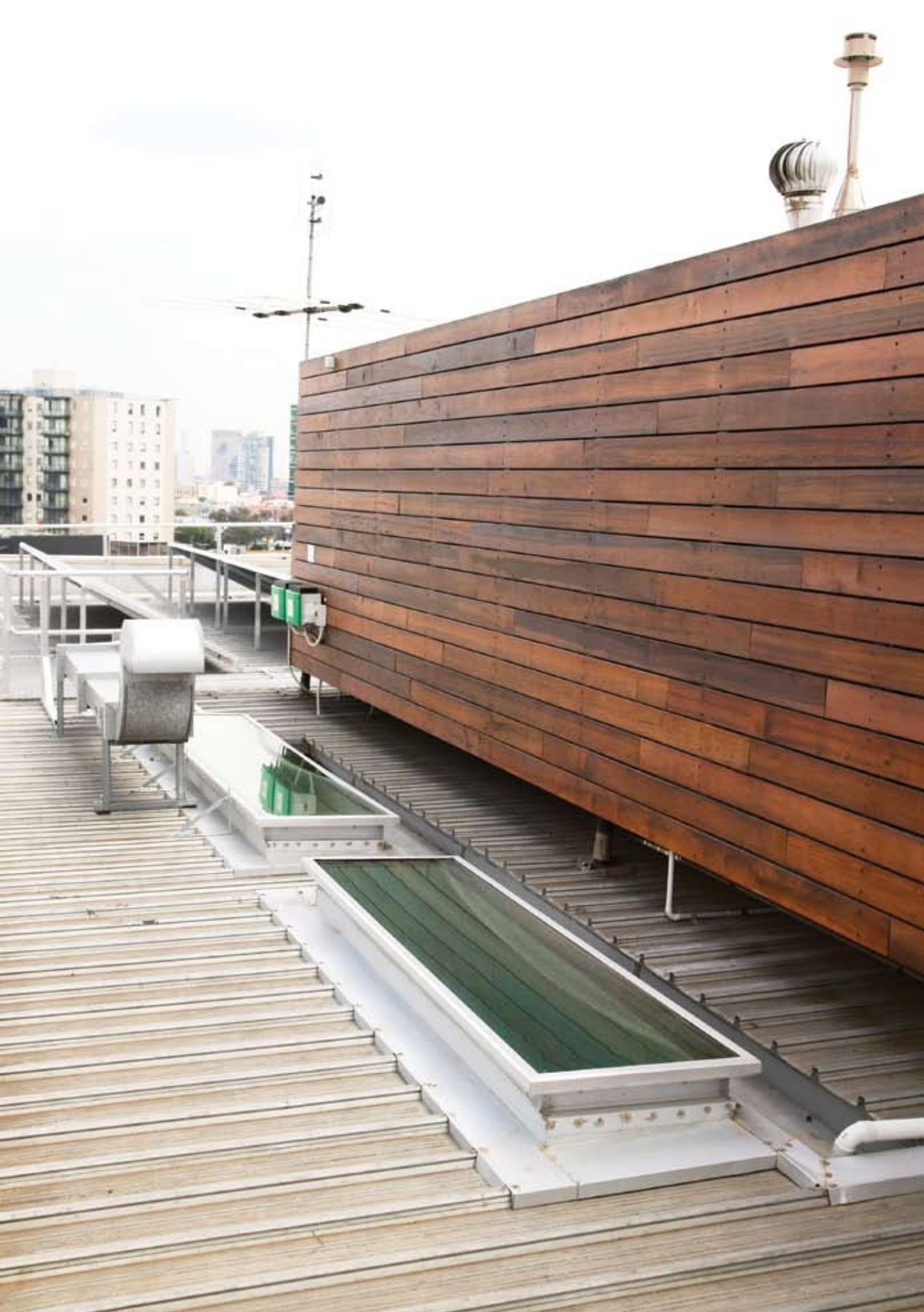
Department of the Environment, Water, Heritage and the Arts

- Provides \$0.3 million¹¹ for the installation of solar heating panels on the Deception Bay Police Citizens Youth Club to provide water heating to the Deception Bay Pool.
- Enables the Deception Bay (Caboolture Shire, Queensland) community to have heated pool facilities without additional greenhouse gas emissions.

¹⁰ Funding for this measure was allocated in the 2007–08 Additional Estimates (see Appendix 2).

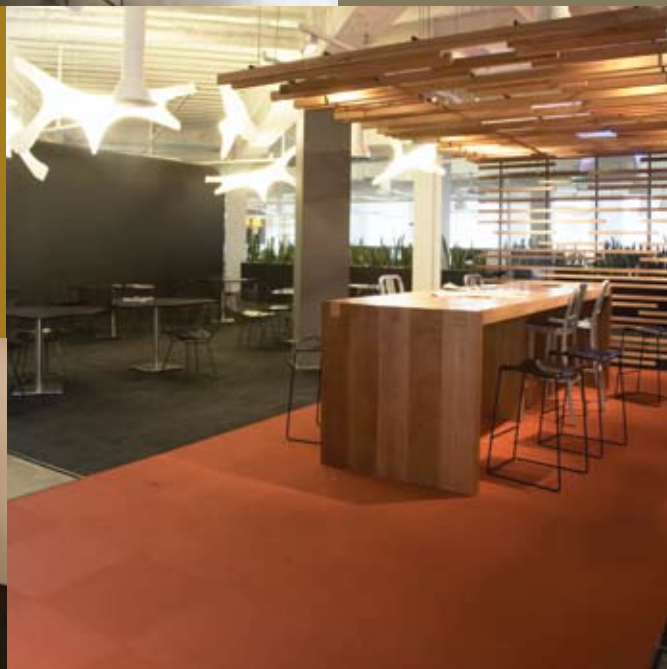
¹¹ Funded from existing resources.





REDUCING AUSTRALIA'S GREENHOUSE GAS EMISSIONS

CLEAN BUSINESSES



The Budget provides \$260.0 million for a range of measures which focus on providing Australian businesses with financial assistance to reduce their impact on the environment, and in particular their greenhouse gas emissions.

Through these measures Australian businesses will achieve efficiency gains that will reduce our emissions and have a positive impact on our economy.

TACKLING CLIMATE CHANGE – CLEAN BUSINESS AUSTRALIA – GREEN BUILDING FUND

Department of Innovation, Industry, Science and Research

- Invests \$90.0 million to reduce greenhouse gas emissions and improve energy efficiency in existing buildings through refurbishment.
- Assesses funding applications on a competitive basis and on the basis of projected greenhouse savings for every dollar of Commonwealth funding contributed, with up to \$200,000 per building available.
- Building performance will be optimised by updating lighting, heating, ventilation, and air conditioning systems.

TACKLING CLIMATE CHANGE – CLEAN BUSINESS AUSTRALIA – RETOOLING FOR CLIMATE CHANGE

Department of Innovation, Industry, Science and Research

- Provides \$75.0 million to help Australian manufacturers improve the efficiency of their production processes, reduce their environmental footprint and cut greenhouse gas emissions.
- Small and medium sized companies will be eligible for grants of between \$10,000 and \$500,000 for up to a third of the cost of each project. Applications for bigger grants or from large manufacturers will be considered on a case by case basis.
- Will assist manufacturers to take a range of actions, for example to cut water usage, improve water recycling, capture and re-use waste energy, and improve energy efficiency in their operations.



TACKLING CLIMATE CHANGE – CLEAN BUSINESS AUSTRALIA – CLIMATE READY PROGRAM

Department of Innovation, Industry, Science and Research

- Supports the research, development and early stage commercialisation of clean, green technologies in Australia to save energy and water, reduce pollution, and use waste products in innovative ways.
- \$75.0 million over four years in grant funding will assist small and medium sized companies specialising in water recycling, waste recovery, and green building materials to develop their products.
- New products developed with the assistance of Climate Ready grants could make homes more energy efficient and more comfortable, or reduce the energy used by appliances, cutting emissions and household power bills.

TACKLING CLIMATE CHANGE – CLEAN ENERGY INNOVATION CENTRE

Department of Innovation, Industry, Science and Research

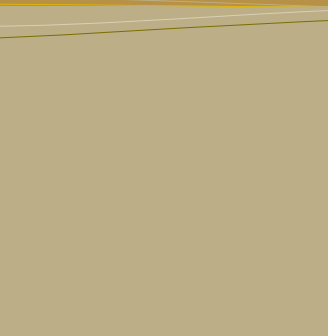
- The Clean Energy Innovation Centre is a sector specific centre of the Enterprise Connect network.
- Provides \$20.0 million for the provision of business improvement services to small and medium sized enterprises in the clean energy sector.
- Will assist small and medium sized clean energy companies to improve their performance by providing business advice, practical assistance and access to specialist equipment and improved access to export assistance.





REDUCING AUSTRALIA'S GREENHOUSE GAS EMISSIONS

CLEAN ENERGY FOR A SUSTAINABLE FUTURE



The Government is taking a leadership role in developing clean energy supplies and energy saving technologies.

The Government is committing \$1.7 billion to support Australia's world leading scientists, researchers and industry in their work to improve energy efficiency and develop clean energy options.

The Government will work in partnership with Australian industry to meet the challenges of the future through innovation.

RENEWABLE ENERGY TARGET – EXPANSION

Office of the Renewable Energy Regulator

- Investing \$15.5 million¹² over five years to achieve a 20 per cent share of renewable energy in Australia's electricity supply by 2020.
- To deliver on this commitment, the Government is developing a national Renewable Energy Target scheme that will expand the current Mandatory Renewable Energy Target scheme to 45,000 gigawatt hours of renewable electricity generation by 2020 and roll in the existing and proposed state and territory renewable energy targets.
- The Government is developing the scheme in cooperation with states and territories through the Council of Australian Governments (COAG) Working Group on Climate Change and Water.
- The design work will be completed in September 2008 and legislation put in place in 2009.

TACKLING CLIMATE CHANGE – ENERGY INNOVATION FUND

Department of Resources, Energy and Tourism

- Focuses on developing clean energy research and development capabilities in Australia.
- Will invest \$150.0 million in clean energy technologies, including:
 - \$100.0 million for solar thermal and photovoltaic research and development, including an Australian Solar Institute; and
 - \$50.0 million to provide small grants for research into clean energy technologies in areas such as energy efficiency and storage and hydrogen transport fuels.



¹² Funding for this measure was allocated in the 2007–08 Additional Estimates (see Appendix 2).

TACKLING CLIMATE CHANGE – NATIONAL CLEAN COAL FUND

Department of Resources, Energy and Tourism

- Invests \$500.0 million over seven years to establish and support a coordinated national strategy aimed at bringing forward the commercial availability and deployment of technologies that will achieve large scale reductions in greenhouse gas emissions from future coal power generation in Australia.
- Supports the research programs, demonstration projects, and infrastructure and carbon dioxide storage sites that Australia will need to accelerate the development and deployment of these technologies.

TACKLING CLIMATE CHANGE – RENEWABLE ENERGY FUND

Department of Resources, Energy and Tourism

- Provides \$500.0 million over seven years to accelerate the development, commercialisation and deployment of renewable energy technologies in Australia.
- Aims to expand the range of renewable technologies.
- Demonstration projects will take technology from the laboratory to the ground, helping to prove a project's viability on a technical and economic basis, attracting further investment to support renewable energy technology.
- Supports a range of renewable energy technologies, including support for geothermal energy advancement through a \$50.0 million Geothermal Drilling Program.

TACKLING CLIMATE CHANGE – GREEN CAR INNOVATION FUND

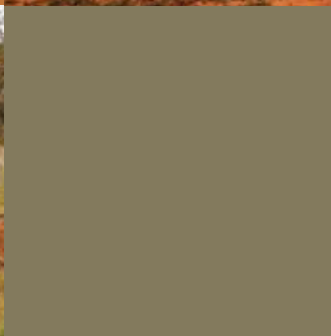
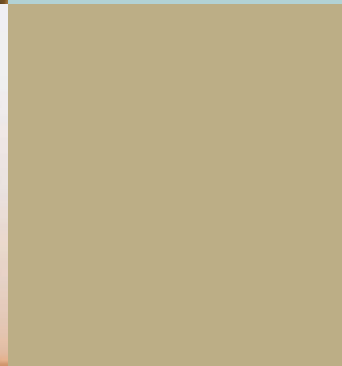
Department of Industry, Innovation, Science and Research

- A \$500.0 million investment over a five year period from 2011-12 to encourage the Australian automotive industry to develop and manufacture low emissions cars.
- The Fund will assist Australia to meet the challenge of climate change while maintaining critical automotive industry jobs.
- It will generate \$2.0 billion in investment with industry being asked to match the Government contribution on a three-to-one dollar basis.
- The current Automotive Industry Review is examining the impact of climate change policy on the automotive industry including the delivery of the Australian Government's Green Car Innovation Fund.





ADAPTING TO CLIMATE CHANGE THAT WE CANNOT AVOID



Expert scientific evidence confirms that human activity is altering the climate and this is likely to lead to impacts on rainfall, water availability, temperatures, bushfire frequency, health, heritage and biodiversity for current and future generations.

The Budget provides \$138.2 million to gather data on the impact of climate change on Australia's unique environment and to begin the challenging process of adaptation.

TACKLING CLIMATE CHANGE – AUSTRALIA'S FARMING FUTURE

Department of Agriculture, Fisheries and Forestry

- Through this Budget, the Government has committed to help our farmers through the Australia's Farming Future Initiative by providing \$130.0 million over four years to deliver three major components of the initiative: the Climate Change and Productivity Research Program, the Climate Change Adaptation Partnerships Program, and the Climate Change Adjustment Program.
- Australia's Farming Future will improve the ability of primary producers to adapt and respond to climate change.
- It will deliver high quality research and development, technological solutions to address adaptation and mitigation challenges and assist primary producers to understand the commercial implications of climate change and facilitate adjustment.

CLIMATE CHANGE AND FORESTRY ADAPTATION ACTION PLAN

Department of Agriculture, Fisheries and Forestry

- The Government has allocated \$20.0 million over three years for the Australia's Forest Industry – Preparing for the Future initiative.
- Under this initiative, the Budget has provided \$8.0 million to better prepare for climate change, including development of a Forestry Adaptation Action Plan and assessment of capacity for forests to sequester carbon.
- The Forestry Adaptation Action Plan will address major knowledge gaps about the impacts of climate change on forestry; identify key impacts, vulnerabilities and research priorities; develop potential adaptation tools and strategies in collaboration with industry, and ensure integration of climate change strategies.

TACKLING CLIMATE CHANGE – CLIMATE CHANGE ADAPTATION STRATEGIES FOR THE SHIRE OF SERPENTINE JARRAHDAL AND THE CITY OF MANDURAH (PEEL-KWINANA GROWTH CORRIDOR) WESTERN AUSTRALIA – CONTRIBUTION

Department of Climate Change

- Provides \$0.2 million for the application of climate change adaptation strategies to existing policies in the Shire of Serpentine Jarrahdale and the City of Mandurah.
- Acts as a pilot project for other local government areas across Australia looking for ways to deal with the impact of climate change.

CARING FOR OUR COUNTRY

Caring for Our Country¹³ (see the Environment Budget Overview 2008–09) contains a number of measures with particular relevance to climate change:

\$200.0 million Great Barrier Reef Rescue Plan

- Helps protect and preserve the Great Barrier Reef for future generations, through work to improve water quality and mitigate the impacts of climate change on the Reef.
- Provides incentives and assistance to landholders and farmers to adopt cost-effective practices that improve reef water quality, by reducing pesticides, nutrients and sediment in farm and catchment runoff.

\$10.0 million for Indigenous Emissions Trading Program

- A component of the Indigenous Rangers Program 2007 election commitment.
- Invests \$10.0 million over five years to facilitate Indigenous land management participation in existing credible voluntary emissions reduction markets and position them for entry into emerging trading markets.
- The expanded Indigenous Rangers Scheme will complement this program, providing accredited training and wages for Indigenous rangers to undertake land management activities relevant to emission reductions.

¹³ Funding for Caring for Our Country comes from existing funding.



More than \$100.0 million for Community Coastcare

- Provides funds for coastal communities (including individuals, environmental groups, non-government organisations, regional natural resource management bodies and local governments) to participate in coastal protection and restoration activities.
- Protects and restores coastal habitats, including native coastal vegetation, dunes and coastal waterways, prevents and controls coastal erosion, weeds and pests, improve resilience of ecosystems and biodiversity to climate change, and improves skills, knowledge and engagement of volunteers and communities, including Indigenous Australians.
- Restores and manages the Tuggerah Lakes coastal estuarine system to achieve water quality and availability that meets both community and aquatic ecosystem needs.
- Ensures coastal environments are less vulnerable to the impacts of climate change.

POINT NEPEAN: UNIVERSITY OF MELBOURNE RENTAL GUARANTEE

Department of the Environment, Water, Heritage and the Arts

- Provides funding of \$2.4 million¹⁴ over seven years to the University of Melbourne as a guaranteed annual rental contribution for the establishment of a national teaching and research Centre for Coasts and Climate with a focus on environmental issues, including climate change, at Point Nepean, Victoria.
- Supplements the \$27.0 million that was provided in 2006 to the Point Nepean Community Trust to facilitate transfer of this former defence and quarantine site to the State of Victoria for inclusion in the Point Nepean National Park.



¹⁴ Funding for this measure was allocated in the 2007–08 Additional Estimates (see Appendix 2). This measure was included in the Mid-year Economic and Fiscal Outlook 2007–08.

HELPING TO SHAPE A GLOBAL SOLUTION



With the Government's ratification of the Kyoto Protocol, the international climate change agenda has dramatically increased. The funding in this Budget will boost the Government's ability to meet its international obligations. It also acknowledges the importance of helping our Asia-Pacific neighbours to adapt to the impacts of climate change.

The Budget provides funding for a range of measures to provide the region with resources to achieve sustainable development and meet the challenge of climate change.

TACKLING CLIMATE CHANGE – DEPARTMENT OF CLIMATE CHANGE – ESTABLISHMENT

Department of Climate Change

As part of the \$59.0 million to establish the Department of Climate Change, the Government is supporting Australia's participation in the Kyoto Protocol negotiations and the new 'Bali Roadmap' under the United Nations Framework Convention on Climate Change, launched in Bali in 2007.

TACKLING CLIMATE CHANGE – ADAPTATION TO CLIMATE CHANGE INITIATIVE

AusAID

- Invests \$150.0 million¹⁴ over three years to strengthen climate change adaptation efforts, focusing on countries in Australia's region where communities are at significant risk from the impacts of climate change.
- Improves the information basis for appropriate climate change responses across the region.
- Builds the capacity of developing country partners to manage adaptation activities, including implementation of practical on-the-ground measures.

¹⁴ Including \$15.0 million from existing resources.

CLIMATE CHANGE EXPENDITURE

2008-09 BUDGET AND 2007-08 SUPPLEMENTARY ADDITIONAL ESTIMATES

AGENCY	INITIATIVE	2007-08 (\$m)	2008-09 (\$m)	2009-10 (\$m)	2010-11 (\$m)	2011-12 (\$m)	TOTAL
AUSTRALIA'S CLIMATE CHANGE STRATEGY							
TACKLING CLIMATE CHANGE							
DCC	- Department of Climate Change - establishment	-	14.7	14.6	14.8	14.9	59.0
	- <i>Emissions Trading Scheme - design and implementation</i>	-	9.3	9.3	9.3	9.4	37.3
DCC	- Garnaut Climate Change Review - contribution ^a	1.6	0.7	-	-	-	2.3
Defence	- Climate Change Implementation Program ^b	-	-	-	-	-	-
	Total	1.6	15.4	14.6	14.8	14.9	61.3
REDUCING AUSTRALIA'S GREENHOUSE GAS EMISSIONS							
TACKLING CLIMATE CHANGE							
DEWHA	- Green Loans ^c	-	17.4	60.2	88.1	87.9	253.6
DEWHA	- Solar Homes and Communities Plan ^d	-	25.6	19.4	-27.4	-17.7	-
DEWHA	- Low Emission Plan for Renters - establishment ^e	-	10.5	37.5	50.0	50.0	148.0
DEWHA	- One Stop Green Shop - establishment	-	1.0	1.0	1.0	-	3.0
DEWHA	- Hot Water System Phase-Out - development and implementation ^f	-	-	-	-	-	-
DEWHA	- Energy Efficiency of Electrical Appliances	-	2.0	4.1	4.0	3.9	14.0
DEWHA	- Deception Bay Pool - contribution ^g	-	-	-	-	-	-
DIISR	- Clean Business Australia - Green Building Fund	-	22.5	37.5	15.0	15.0	90.0
DIISR	- Clean Business Australia - Retooling for Climate Change	-	10.9	21.8	24.5	17.8	75.0
DIISR	- Clean Business Australia - Climate Ready Program	-	13.1	22.6	23.8	15.5	75.0
DIISR	- Clean Energy Innovation Centre ^h	-		\$20.0m over four years unprofiled			20.0
DRET	- Energy Innovation Fund	-	40.9	51.2	36.2	21.7	150.0
DRET	- National Clean Coal Fund ⁱ	-	34.8	108.6	124.5	97.8	365.7
DRET	- Renewable Energy Fund ^j	-	-	55.5	71.0	101.0	227.5
DIISR	- Green Car Innovation Fund ^k	-	-	-	-	100.0	100.0
	Total	-	178.7	419.4	410.7	492.9	1521.8
ADAPTING TO CLIMATE CHANGE THAT WE CANNOT AVOID							
TACKLING CLIMATE CHANGE							
DAFF	- Australia's Farming Future	-	36.0	35.0	34.0	25.0	130.0
DAFF	- Climate Change and Forestry Adaptation Action Plan ^l	-		\$8.0m over three years unprofiled			8.0
DCC	- Climate Change Adaptation Strategies for the Serpentine Jarrahdale Shire and City of Mandurah (Peel-Kwinana Growth Corridor) - Western Australia contribution	-	0.2	-	-	-	0.2
	Total	-	36.2	35.0	34.0	25.0	138.2

AGENCY	INITIATIVE	2007-08 (\$m)	2008-09 (\$m)	2009-10 (\$m)	2010-11 (\$m)	2011-12 (\$m)	TOTAL
	HELPING TO SHAPE A GLOBAL SOLUTION						
	TACKLING CLIMATE CHANGE						
AusAID	- Adaptation to Climate Change Initiative ^m	-	20.7	49.4	65.0	-	135.0
	Total	-	20.7	49.4	65.0	-	135.0
	TACKLING CLIMATE CHANGE - TOTAL CLIMATE CHANGE INITIATIVES	1.6	251.0	518.4	524.5	532.8	1856.3

- Denotes nil

a Funding from 2007-08 Supplementary Additional Estimates.

b Funding of \$8.0m from existing resources.

c Including additional funding of \$46.3m in 2012-2013.

d Funding of \$27.3m brought forward from 2010-11 and \$17.7m brought forward from 2011-12. Previously called the Photovoltaic Rebate Program.

e Including additional funding of \$2.0m in 2012-2013.

f Funding of \$7.9m from existing resources.

g Funding of \$0.3m from existing resources.

h \$20.0m provided as a component of the \$200.0m over four years Enterprise Connect Network.

i Including additional funding of \$134.3m for the period 2012-2013 to 2014-2015.

j Including additional funding of \$272.5m for the period 2012-2013 to 2014-2015.

k Including additional funding of \$400.0m for the period 2012-2013 to 2015-2016.

l \$8.0m provided as a component of the \$20.0m over three years Australia's Forest Industry - Preparing for the Future initiative.

m Funding of \$15.0m from existing resources.

CLIMATE CHANGE EXPENDITURE

PORTFOLIO ADDITIONAL ESTIMATES STATEMENT 2007-08

AGENCY	INITIATIVE	2007-08 \$m	2008-09 \$m	2009-10 \$m	2010-11 \$m	2011-12 \$m	Total
	REDUCING AUSTRALIA'S GREENHOUSE GAS EMISSIONS						
	TACKLING CLIMATE CHANGE						
	- Emissions Trading Scheme - Design, Modelling and Improved Information	12.4	6.7	6.3	6.1	-	31.6
DCC		6.8	-	-	-	-	6.8
Treasury		3.2	3.5	3.4	3.2	-	13.3
ABS		0.7	2.5	2.9	2.9	-	9.0
PM&C		1.0	-	-	-	-	1.0
DAFF		0.8	0.8	-	-	-	1.5
DEWHA	- Solar Hot Water Systems: rebates for households ^a	31.8	40.3	50.0	65.0	65.1	252.2
DEWHA	- Solar Cities	1.0	6.0	5.9	5.9	-	18.8
DEWHA	- National Solar Schools Plan ^b	9.0	74.6	119.7	107.2	50.8	361.3
DEWHA	- Green Precincts ^c	-	2.0	2.1	2.1	-	6.2
ORER	- Renewable Energy Target - expansion	0.3	3.3	4.3	3.7	3.8	15.5
	ADAPTING TO CLIMATE CHANGE THAT WE CANNOT AVOID						
DEWHA	Point Nepean: University of Melbourne rental guarantee ^d	-	0.3	0.3	0.3	0.3	1.2
	TACKLING CLIMATE CHANGE TOTAL CLIMATE CHANGE INITIATIVES	54.5	133.2	188.6	190.4	120.0	686.8

- Denotes nil

a This measure was included in the Mid-year Economic and Fiscal Outlook 2007-08.

b Including additional funding of \$119.3 million for the period 2012-13 to 2014-15. Movement of funds has also occurred post 2007-08 Additional Estimates.

c Including additional funding of \$8.8 million from 2008-09 Budget measure Water for the Future - National Water Security Plan for Cities and Towns.

d Including additional funding of \$1.2 million for the period 2012-13 to 2014-15. This measure was included in the Mid-year Economic and Fiscal Outlook 2007-08.





The Australian Government is taking responsibility for climate change through: reducing Australia's greenhouse gas emissions; adapting to climate change that we cannot avoid; and helping to shape a global solution.

Climate change is a global issue that needs a global solution. Through this Budget the Australian Government is helping all Australians to be a part of the solution to climate change.

IMAGE CREDITS

The Department of the Environment, Water, Heritage and the Arts

The Department of Climate Change

Arthur Mostead

Michael Pearson