

GENDER LENS ON THE 2024 BUDGET

Key policy in discussion	Future Made in Australia & Climate Change
Portfolio and or agency	Cross-Portfolio
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Key Portfolio Issues

This program is one of the centrepieces of the Budget, with an estimated outlay of \$22.7 billion over the next decade. The initiative is built around a National Interest Framework that identifies key industries and sectors that are critical to transitioning to a net zero economy, or that are critical to economic resilience but are vulnerable to supply chain disruptions.

Gender impact analysis is relevant in this program to ensure that the industries that are supported are committed to supporting gender equality, and that the outputs from the Government investment address areas where women experience disadvantage.

There are also measures to assist natural disaster responses and drought relief, but there are relatively few measures to improve community resilience to climate change.

Budget Measures

Future Made in Australia

The program is structured around the [National Interest Framework](#), which establishes the two streams for support:

The Net Zero Transformation Stream is focussed on the supporting clean energy generation, and the 2024-25 Budget provides incentives to:

- Renewable hydrogen
- Critical minerals processing
- Green metals
- Low carbon liquid fuels and
- Clean energy manufacturing, including battery and solar panel supply chains.

The National Foundation for Australian Women is a feminist organisation, independent of party politics and working in partnership with other women's organisations. NFAW is dedicated to promoting and protecting the interests of Australian women, including intellectual, cultural, political, social, economic, legal, industrial and domestic spheres.

Support for this program is through a combination of tax incentives, assistance to obtain financing and agency spending to enhance capacity to support industry initiatives.

The program has a long horizon, stretching out to 2040, which is appropriate for a major industry project.

Budget measures to support this stream include:

Future Made in Australia – Attracting Investment in Key Industries

\$68 million over the forward estimates, principally to Treasury, Department of Finance, and Department of Foreign Affairs and Trade to attract investment in the program by developing the National Interest Framework and a supporting finance framework with Export Finance Australia (Budget Paper No 2, p 65, 2024-25).

Future Made in Australia – Investing in Innovation, Science and Digital Capabilities

Over 10 years, this program is estimated to cost \$1.7 billion. \$399.2 million has been set aside for this program over the forward estimates. \$566.1 million over ten years has been allocated to Geoscience Australia to map groundwater and resource endowments.

The funding to PsiQuantum Pty Ltd to develop and support quantum computing capabilities is estimated to cost \$466.4 million from Export Finance Australia on the National Interest Account. However financial implications of the financing package have not been released due to commercial sensitivities.

\$448.7 million has been allocated over 11 years to develop the Landsat Next satellite earth observation partnership with the US.

(Budget Paper No 2, p 66 - 67, 2024-25)

Future Made in Australia – Making Australia a Renewable Energy Superpower

The most significant cost in the package is an estimated \$19.7 billion investment over 10 years from 2024-25 to accelerate investment in the priority industries. Over the forward estimates the estimated outlay is 1,010.5 million.

The most significant areas in this program are:

- To enhance development, demonstration, commercialisation, manufacture and deployment of renewable energy: Australian Renewable Energy Agency \$1.5 billion over seven years from 2027-28 to supercharge core investments, and \$1.7 billion to the Future Made in Australia Innovation Fund.
- Two tax incentives will commence in 2027-28 at a cost in that year of \$500 million. The critical mineral production tax incentive to support downstream mining and processing is estimated to cost \$7.0 billion and the hydrogen production tax incentive is estimated to cost \$6.7 billion over the 11 years from 2023.
- \$1.4 billion to support manufacturing of clean energy technologies including solar panels and batteries, improving supply chains.

- Other green technologies being supported include low carbon liquid fuels, production of green metals and better use of scrap metal.

(Budget Paper No 2, p 67 - 70, 2024-25)

Future Made in Australia – Promoting Sustainable Finance Markets

\$17.3 million over four years to provide additional resourcing to ASIC, APRA and Treasury to support finance markets by combatting misconduct and greenwashing, issuing green bonds, and improving data and regulatory regimes (Budget Paper No 2, p 70 - 71, 2024-25).

Future Made in Australia – Strengthening Approvals Processes

\$182.7 million over eight years to strengthen the environmental approvals process. This includes environmental approvals, improve community engagement, developing a priority project list and foreign investment approvals.

\$17.7 million is specifically allocated to reduce the backlog of cultural heritage applications under the *Aboriginal and Torres Strait Islander Heritage Protection Act 1984*.

(Budget Paper No 2, p 71 - 72, 2024-25)

Future Made in Australia – Workforce and Trade Partnerships for Renewable Energy Superpower Industries

\$218.4 million over eight years has been allocated to support workforce and training initiatives. This initiative has emerged through the [Employment White Paper](#) process. The initiatives include additional funding for VET training, addressing skills shortages and upgrading training facilities to support emerging industries.

There are two initiatives of particular relevance to women:

- The Building Women’s Careers program is funded to drive structural change and to improve women’s access to flexible, safe and inclusive work. This program is focussed on industries of national importance, including the clean energy sector.
- The success of this strategy is linked to capacity in STEM (Science, Technology, Engineering and Mathematics). \$38.2 million has been allocated to increase diversity in STEM programs.

(Budget Paper No 2, p 73, 2024-25)

Gender implications of this budget measure

This program is a significant spending measure that crosses portfolios and impacts women in several ways.

Climate change is an issue that has particular impacts for women. As discussed in the [NFAW Gender Lens on the 2023-24 Budget](#), many women carry additional burdens as a result of housing and income inequality; health and wellbeing, and as carers during times of natural disaster.

NFAW strongly supports transition to a net-zero economy as soon as possible, and we commend the vision behind the Future Made in Australia program.

However, we note that the Future Made in Australia program represents low hanging fruit in respect of Gender Impact Analysis. The program relates to male dominated industries, and it meets the [APS Gender Impact Analysis Guidelines](#) as the program has a cohort effect, is a gender segregated industry and is valued at more than \$250 million. This has been acknowledged in the Building Women’s Careers, STEM and Engagement with Indigenous Business Australia.

However the gender impact analysis should extend beyond the direct impacts of employment and consultation to include the less direct supports required to allow women to engage in the priority industries including increased support for the care economy and services in remote and regional locations.

National Interest Framework

The [National Interest Framework Supporting Paper](#), published by Treasury on 14 May 2024, sets out a strategy to identify industries that are of strategic significance to Australia, particularly in light of increasing geo-strategic concerns and the transition to a net zero economy.

Geo-strategic concerns arise not only from the increasing global economic and political instability that may affect Australia’s ability to access resources, but also as trading partners, including the United States, Europe India and China who are implementing incentives that will drive domestic manufacturing in those countries.

Famously, the first PERC solar cells were developed at UNSW but [China now dominates](#) the supply chain, produced 78 per cent of the world’s solar panels. [Questions have been raised](#) as to whether Australia can compete with Chinese solar panels on cost, however the risk to supply chain to support the transition to net zero does support this as a strategic initiative.

The Supporting Paper identifies the following criteria for support:

“The National Interest Framework: Identifying priority industries in the national interest:

There are two streams under which an industry may warrant Government intervention to attract private investment at scale.

The Net Zero Transformation Stream will identify priority sectors where:

- Australian industry is expected to have a sustained comparative advantage in a net zero global economy; and
- Public investment is needed for the sector to make a significant contribution to emissions reduction at an efficient cost. An industry is more likely to qualify for support under this stream if the industry:
 - is energy-intensive and capable of substantially reducing its carbon emissions by taking advantage of our abundant renewable energy resources
 - has output that embodies low carbon emissions and can help contribute to decarbonisation in other areas of the economy

- can leverage Australia’s highly skilled workforce, using technological improvements to reduce labour intensity
- is able to achieve economies of scale in Australia and
- aligns with our international trading partners’ current or future needs and is complementary to actions taken by our strategic partners.

The Economic Resilience and Security Stream will identify priority sectors where:

- some level of domestic capability is a necessary or efficient way to protect the economic resilience and security of Australia, and the private sector will not deliver the necessary investment in the absence of government support.

Consideration under this stream will include factors such as:

- The global and domestic concentration of supply and supply chains
- The vulnerability of supply to disruption
- How critical the industry or product is to our security and resilience and
- Whether the industry can prevent, absorb, adapt or transform processes to limit the consequences of a shock to our national interests.” ([National Interest Framework Supporting Paper](#), p.7)

The industries identified for support under the Net Zero Transformation Stream in the initial stages include Renewable Hydrogen, Green Metals, Low Carbon Liquid Fuel that may be needed to replace fuels such as Avgas and Diesel. The Economic Resilience and Security Stream has identified critical minerals processing and clean energy manufacturing including solar panels and batteries.

Importantly the program builds in community benefit principles to build capability by investing in local communities and promoting diverse workforces and secure jobs. This must include gender impact analysis and ensuring that appropriate consultation, including with First Nation’s communities address concerns over environmental and cultural heritage issues.

Employment

It appears that A Future Made in Australia has been developed following a gender impact statement, and with regard to the needs of women working in the sector. Traditionally mining, resource and technology sectors have been male dominated. It is encouraging to see funding for the Building Women’s Careers program. This program is designed to drive structural and cultural change in workplaces, which appears to go beyond training women to include changes that will [ensure that women can work safely, free from harassment and cultural bias](#). There is also funding to increasing diversity in STEM careers incorporated in the program measures.

However, as noted last year, it is important to take a holistic view when incentivising women into employment in particular sectors, particularly the resource sector. The barriers that prevent women from working can be exacerbated in remote locations: fly-in-fly-out or drive-in-drive-out locations in particular need to be able to provide the services that ensure that women are able to balance work and care requirements.

Approvals and Consultation

The application process for renewable energy projects is currently not fit for purpose. There are lengthy delays in approving projects, which may require several layers of approval, particularly where there are environmental issues or the community expresses concern about changes in land use. The [Clean Energy Council has reported](#) that while rooftop solar and battery take-up continues to increase, there has been a slow-down in approvals for large scale projects. This has been partly attributed to difficulties in obtaining finance, and the Budget measures have been designed to assist in this regard.

However it has also been [reported](#) that delays in environmental assessment processes have contributed to lengthy delays in approval. There are also [processes required to protect cultural heritage](#), and the inclusion of \$17.7 million in funding to support engagement with Aboriginal and Torres Strait Islander people in working through complex cultural heritage issues is welcomed.

NFAW also welcomes the engagement with Indigenous Business Australia to enhance the opportunity to participate in the financial benefits of projects.

Tax Incentives

An area of concern is the provision of support through tax incentives once the projects are in production.

Notably the [tax incentives are based on production](#). The Hydrogen Production Tax Incentive is based on the production of hydrogen, at \$2 per kilogram of renewable hydrogen. The Critical Minerals Production Tax Incentive will be a refundable tax offset of 10 per cent of eligible processing costs.

The ATO website advises that eligible processing costs will be identified during consultation. It is important that the eligible processing costs are directly related to the cost of production to limit the capacity to inflate costs thus reducing the tax collected by the producer.

There is an inevitable trade-off between tax incentives provided to producers and the ability for the Government to fund essential services. The intention behind this program is to invest in technologies that will reduce energy costs, and limit the [effects of climate change that burden poorer Australians](#) in particular. While the design of the tax incentives must be monitored to ensure the integrity of the projects, overall the benefits of supporting investment in clean industries would justify the investment.

NFAW notes that two of the recommendations that were made in the Gender Lens on the 2023-24 Budget have been progressed in this Budget, notably:

- The Future Made in Australia program will accelerate climate change mitigation funding and policymaking; and
- Ensure women benefit economically from industry transition plans, energy systems change and the wider decarbonising economy.

Budget Measures: Climate Change and Natural Disasters

Disaster Support

The Government will provide \$138.7 million to the National Emergency Management Agency over four years from 2024–25 (and \$18.9 million per year ongoing) to improve Australia’s preparedness to respond to all-hazard disasters and resilience to natural hazards. (Budget Paper No 2, p 73, 2024-25)

Future Drought Fund – better support for farmers and communities to manage drought and adapt to climate change

The Government will allocate \$519.1 million over eight years from 2024–25 from the Future Drought Fund for initiatives that provide improved support to farmers and communities to manage drought and adapt to climate change. (Budget Paper No 2, p 42, 2024-25)

Agriculture: Other Priorities

The Government will provide \$20.7 million over five years from 2023–24 (and \$3.4 million per year ongoing) to support priorities in the agriculture, fisheries and forestry portfolio. This funding includes \$13.9 million over four years from 2024–25 (and \$3.4 million per year ongoing) to maintain drought policy capability in the Department of Agriculture, Fisheries and Forestry to support Australia’s readiness to respond to drought events. (Budget Paper No 2, p 41, 2024-25)

Harnessing the Energy Transition to Benefit Consumers

The Government will provide \$47.7 million over four years from 2024–25 (and \$0.7 per year ongoing) to maximise consumer and community benefits of the energy transition. This measure includes funding to assist consumers to access better energy plans and to improve access to renewable energy; and to improve oversight by the Energy Regulator. (Budget Paper No 2, p 54, 2024-25)

Improving the Australian Carbon Credit Unit Scheme

The Government will provide an additional \$48.0 million over four years from 2024–25 to implement further reforms to the Australian Carbon Credit Unit scheme as part of the Government’s response to the Independent Review of Australian Carbon Credit Units. (Budget Paper No 2, p 55, 2024-25)

Financial Wellbeing and Capability Activity – additional funding

The Government will provide \$138.0 million over five years from 2023–24 (and \$35.4 million per year ongoing) to boost support for Australians in financial distress or experiencing financial hardship and to build financial resilience, through additional funding to the Financial Wellbeing and Capability Activity.

The activity will also be restructured to operate under two streams of support: Financial Capability and Resilience and Financial Crisis Response and Recovery and includes \$114.8 million over five years from 2023–24 (and \$27.7 million per year ongoing) to support individuals and families experiencing financial distress in times of crisis and natural disasters. (Budget Paper No 2, p 169-170, 2024-25)

Gender implications of these budget measures

It is well understood that the effects of climate change impact on women differently to men. The intersectional effects of gender inequality in housing, poverty and health are all amplified by climate change. In addition women experiencing natural disasters, regardless of socio-economic status and cultural background, face heightened risk as they are more vulnerable and are frequently responsible for caring for others during the disaster.

While the budget includes some funding for disasters, and additional support for those caught up in a climate change induced emergency, there is no recognition of the particular needs of women in such circumstances. As noted in the 2023-24 Gender Lens on the Budget, we need much deeper analysis and recognition of distributional impacts to ensure gender equality is enhanced, and not eroded, during a necessarily rapid period of decarbonisation and resilience-building over the next decade.

NFAW notes that the additional funding for Financial Crisis Response and Recovery is consistent with the recommendation of the Gender Lens on the 2023-24 Budget to increase recovery-stage funding, although there does not appear to be any increase in entitlements under the Australian Government Disaster Recovery Payment.

Recommendations

NFAW supports the principles underlying the Future Made in Australia program, noting that the benefits to the Australian community through supporting the transition to net zero justify the cost.

NFAW calls for:

- Gender impact analysis of the Future Made In Australia program to include an analysis of the effects on aspects of the program that extend beyond employment to include necessary services, including ECEC, health and education in remote and regional centres, allowing women to balance work and care.
- When establishing conditions of employment in the sector, there be specific attention paid to the effect of rosters on women balancing work and care, and the safety and wellbeing of women working on site.
- All community consultation processes in respect of approvals for renewable energy projects be designed in a way that facilitates engagement by women and other underrepresented sectors of the community.
- The structure of the Critical Minerals Tax Offset be developed to ensure that only expenditure directly related to the production process is taken into consideration in the calculation of the offset.
- The Government delivery of a large-scale home energy upgrades program for low-income households, including expanded upgrades of social housing, and policy and budgetary measures to introduce minimum rental standards across all states and territories.