



**AUSTRALIAN HIGH COMMISSIONER
KUALA LUMPUR**

13 July 2011

Mr Abdul Aziz Long
President
Environmental Management and Research Association of Malaysia
No 30-2 Jalan PJU 5/16
Dataran Sunway, Kota Damansara
47810 Petaling Jaya
Selangor

Dear Mr Long

I am writing to inform you of the release on 10 June of the Australian Government's Clean Energy Future policy, which provides for the establishment of a carbon pricing package in Australia.

The Australian Government is intent on preparing Australia for a low-carbon future, which will require historic economic reform of the Australian economy.

The carbon price will commence as a fixed-price scheme from 1 July 2012, becoming a cap and trade emissions trading scheme with a flexible price from 1 July 2015. A suite of additional measures, in energy efficiency, the land sector, and renewable energy, are included and will complement the carbon price.

In recognition that any effort to tackle climate change requires a global effort, the Government has also pledged to extend Australia's 2050 emissions reduction target from 60 per cent to 80 per cent below 2000 levels.

Australia stands ready to play its full and fair part in global efforts to mitigate climate change. The proposed carbon price, and suite of new initiatives, together provide a comprehensive strategy to underpin Australia's current and future abatement commitments.

I have attached a copy of a fact sheet which provides additional information on Australia's Clean Energy Future plan. Further information is also available online at www.cleanenergyfuture.gov.au. Alternatively, you are welcome to contact me to discuss this new Australian initiative.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Miles Kupa'.

Miles Kupa

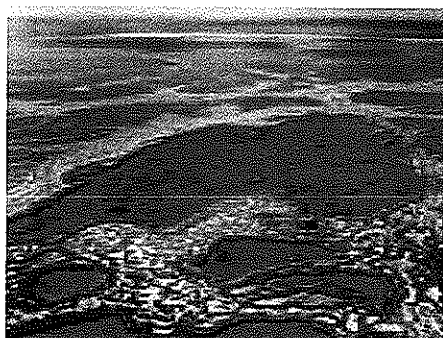


Australian Government


**clean
energy
future**

Securing a clean energy future

THE AUSTRALIAN GOVERNMENT'S
CLIMATE CHANGE PLAN IN SUMMARY



To build our Clean Energy Future the Government is...

Introducing a **CARBON PRICE** and returning every cent to assist households, support jobs and tackle climate change

Promoting innovation and investment in **RENEWABLE ENERGY**

Encouraging **ENERGY EFFICIENCY**

Creating opportunities in the **LAND SECTOR** to cut pollution and improve productivity, sustainability and resilience

Australia's Clean Energy Future

Scientists advise that the world is warming and high levels of carbon pollution risk environmental and economic damage. No responsible government can ignore this advice.

The Australian Government has developed a comprehensive plan to move to a clean energy future.

Central to that plan is the introduction of a carbon price that will cut pollution in the cheapest and most effective way and drive investment in new clean energy sources such as solar, gas and wind.

A carbon price is not a tax on households — around 500 of the biggest polluters in Australia will be required to pay for their pollution under the carbon pricing mechanism.

To assist households with price impacts, there will be tax cuts and increases in pensions, allowances and benefits. A significant tax reform will mean that over 1 million individuals will no longer need to file a tax return.

The Government is committed to supporting jobs and competitiveness as Australia moves to a clean energy future and has designed a range of measures for this purpose.

The Government will seek to negotiate the closure of around 2000 megawatts of highly polluting electricity generation capacity by 2020, while at the same time safeguarding our energy security.

There will be a dramatic expansion in support for renewable energy including through a new commercially oriented Clean Energy Finance Corporation that will invest \$10 billion in renewable energy, low pollution and energy efficiency technologies.

Around \$1 billion will be spent over the next four years to help farmers and land managers pursue climate change action on the land and promote biodiversity.

Improvements in energy efficiency will help households save money on their bills and contribute to our efforts to cut pollution.

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Australia needs to cut pollution

Australia's carbon pollution

Australia generates more pollution per person than any developed country, including the United States. We produce significantly more pollution per person than India and China.

Australia's carbon pollution is high because our electricity is mainly generated by burning coal. Transport, mining, industry, farming and deforestation also contribute.

Our carbon pollution is continuing to grow at a rapid rate. Without action, it is expected to continue to grow by almost 2 per cent a year to 2020.

Reducing our carbon pollution means we have to produce and use energy in a cleaner, smarter way.

Our climate is changing

The CSIRO, the Bureau of Meteorology, and Academies of Science from around the world have all advised that the world is warming and high levels of carbon pollution risk environmental and economic damage.

In Australia and across the globe, 2001 to 2010 was the warmest decade on record. Each decade in Australia since the 1940s has been warmer than the last.

Climate change risks damaging our environment and way of life

Australia faces significant environmental and economic costs in a warmer, more unstable climate. Climate scientists advise that extreme weather events, such as droughts, heatwaves and bushfires, are likely to become more frequent and severe. This threatens our homes, businesses and communities, and vital industries such as agriculture.

Scientists agree that the worst effects of climate change can largely be avoided if we reduce carbon pollution to an acceptable level.

The world is moving to a clean energy future

Countries around the world are already taking action on climate change. 89 countries — representing 80 per cent of global emissions and 90 per cent of the world's economy — have already pledged to take action on climate change.

Globally, more money is now invested in new renewable power than in conventional high-pollution energy generation. China is now the world's largest manufacturer of both solar panels and wind turbines.

Acting now is cheaper than acting later

Australia has an opportunity to move to a clean energy future and cut pollution before the task becomes more difficult and costly.

... and move to a clean energy future

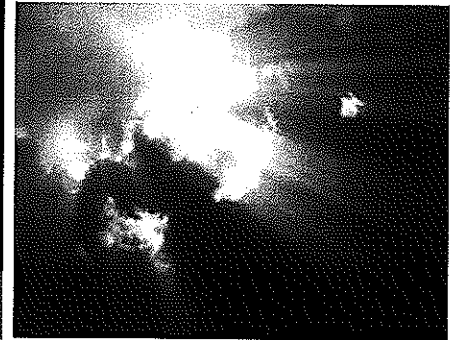
The Australian Government is building a clean energy future

The Government has a comprehensive plan to move to a clean energy future. This includes:

- introducing a carbon price
- promoting innovation and investment in renewable energy
- encouraging energy efficiency
- creating opportunities in the land sector to cut pollution.

The Government's plan to move to a clean energy future will:

- dramatically cut pollution
 - our clean energy plan will cut pollution by at least 5 per cent compared with 2000 levels by 2020, which will require cutting net expected pollution by at least 23 per cent in 2020
 - this is equivalent to taking over 45 million cars off the road by 2020
 - by 2050 we are committing to cut pollution to 80 per cent below 2000 levels
- unleash innovation and investment worth billions of dollars in renewable energy
 - large scale renewable electricity generation, excluding hydro, is projected to be 18 times its current size by 2050. Total renewable generation (including hydro) will comprise around 40 per cent of electricity generation in 2050
- transform our energy sector away from high polluting sources, like brown coal
 - the Government will negotiate to close down around 2000 megawatts of high-polluting coal-fired power generation, creating space for new clean energy supplies
- store millions of tonnes of carbon in the land through better land and waste management
 - between now and 2050, around 460 million tonnes of carbon pollution will be reduced or stored instead of entering our atmosphere under the Carbon Farming Initiative.



A better Australia for our children

The Government's Plan for a clean energy future will cut pollution and drive investment in new clean energy sources, such as solar, gas and wind.

By acting now, Australians can look forward to long term prosperity, while protecting our environment for ourselves and for future generations.



A carbon price will cut pollution

A carbon price means a strong and growing economy

The economy will continue to grow as Australia embraces a clean energy future.

Treasury modelling estimates that under a carbon price average incomes grow strongly. Average incomes are expected to increase by about 16 per cent from current levels by 2020, an increase of around \$9000 in today's dollars. By 2050, the increase is expected to be more than \$30,000.

National employment is projected to increase by 1.6 million jobs by 2020.

An environmental problem with an economic solution

Putting a price on carbon is the most environmentally effective and cheapest way to cut pollution.

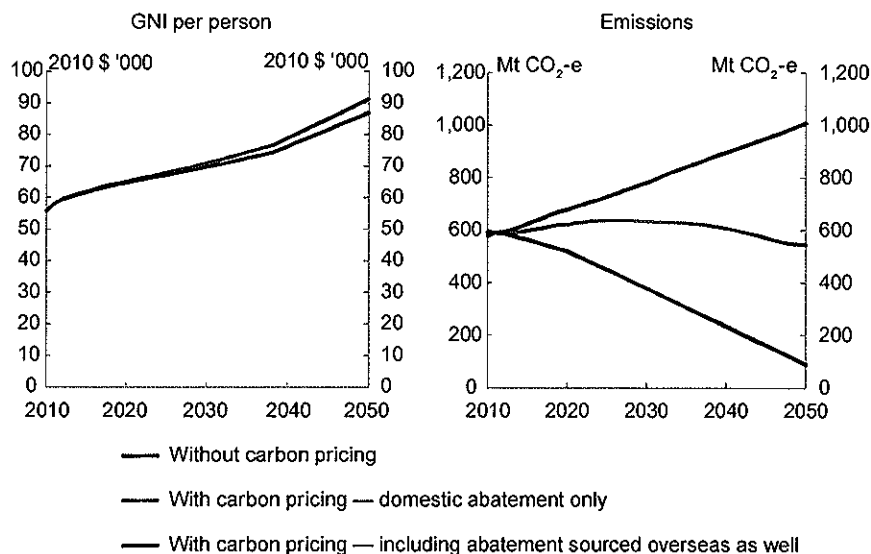
This is a fact that is well recognised by economists from around the world, and respected institutions such as the OECD and the Productivity Commission.

Currently, releasing carbon pollution is free despite the fact that it is harming our environment.

A carbon price changes this. It puts a price on the carbon pollution that Australia's largest polluters produce. This creates a powerful incentive for all businesses to cut their pollution, by investing in clean technology or finding more efficient ways of operating.

It encourages businesses across all industries to find the cheapest and most effective way of reducing carbon pollution, rather than relying on more costly approaches such as government regulation and direct action.

Breaking the link between emissions and economic growth



... in the cheapest and most effective way

A carbon price will kick start our clean energy future

The Government is introducing a carbon price, which will commence on 1 July 2012.

For the first three years the carbon price will be fixed like a tax, before moving to an emissions trading scheme in 2015.

A carbon price is not a tax on households — around 500 of the biggest polluters in Australia will be required to pay for their pollution under the carbon pricing mechanism.

Liable businesses will need to buy and surrender to the Government a permit for every tonne of pollution they produce.

- In the fixed price stage, that runs from 1 July 2012 to 30 June 2015, the carbon price will start at \$23 per tonne and rise by 2.5 per cent a year in real terms.
- From 1 July 2015 onwards, the price will be set by the market and the number of permits issued by the Government each year will be capped.

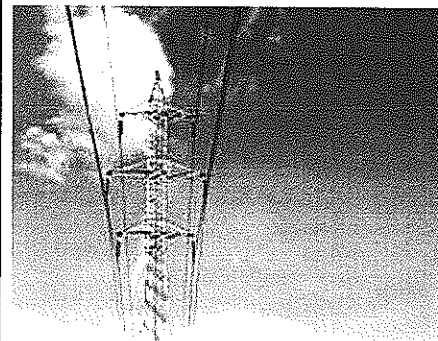
If businesses can lower their pollution, the price they pay will be less. This is how the carbon price drives innovation and energy efficiency.

All revenue from the carbon price will be used by the Government to:

- assist households with price impacts they face by cutting taxes and increasing payments
- support jobs and competitiveness
- build our new clean energy future.

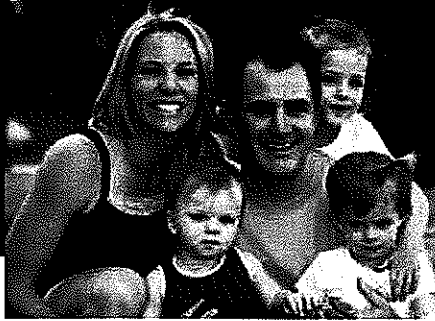
A new Climate Change Authority

The Government will create an independent body, the Climate Change Authority, which will track Australia's pollution levels and provide independent advice to the Government on the performance of the carbon price and other initiatives.



Key features of the carbon price

- Around 60 per cent of Australia's carbon pollution will be covered by the carbon price, including pollution from electricity generation, stationary energy, some business transport, waste, industrial processes, and fugitive emissions.
- A carbon price will not apply to agricultural emissions or emissions from light on-road vehicles.
- Households, smaller businesses and farmers will have no direct obligations under the carbon price.
- The carbon price will be fixed for the first three years, starting at \$23. After that it will be determined by the market.
- For the first three years of the flexible price period, a price ceiling and a price floor will apply.
- Scope for linking to international carbon markets and land abatement programs will help ensure we are finding the lowest cost way to cut pollution.



Helping households

Over 4 million households get assistance worth 120 per cent of their expected average price impact

A typical couple with no children, with one person earning just under \$60,000 and their partner earning around \$25,000 will get assistance that is \$288 per year more than their expected average price impact.

A self-funded retiree couple with a single taxable private income of \$50,000 will get assistance that provides \$524 per year more than their expected average price impact.

A low income single person earning \$30,000 will receive \$94 per year more than their expected average price impact.

A couple, both earning \$35,000, with two children, will get \$247 per year more than their expected average price impact.

The Government will ensure that those Australians that need help the most, particularly pensioners and low and middle income households, will get assistance for the cost of living impact of the carbon price.

On average, households will see cost increases of \$9.90 per week, while the average assistance will be \$10.10 per week.

Over 4 million households will be better off compared to their average price impact

This means they will receive assistance that provides a buffer of at least 20 per cent over and above their average price impact.

Almost 6 million households will be assisted to meet their average price impact

This means they will receive assistance that covers at least the average price impact of the carbon price on their cost of living.

Around 8 million households will get some assistance

This means they will receive some assistance through payment increases and/or tax cuts.

Households that improve their energy efficiency can help the environment and save money. Because households that do use less energy will still get to keep all of their tax cuts and payment increases, the carbon price will still provide them with a financial incentive to do their bit for the environment.

... through tax reform and increases in payments

More than half of the revenue raised from polluters will go to households to help meet price impacts and help them do their bit for climate change.

There are two ways that households will receive assistance:

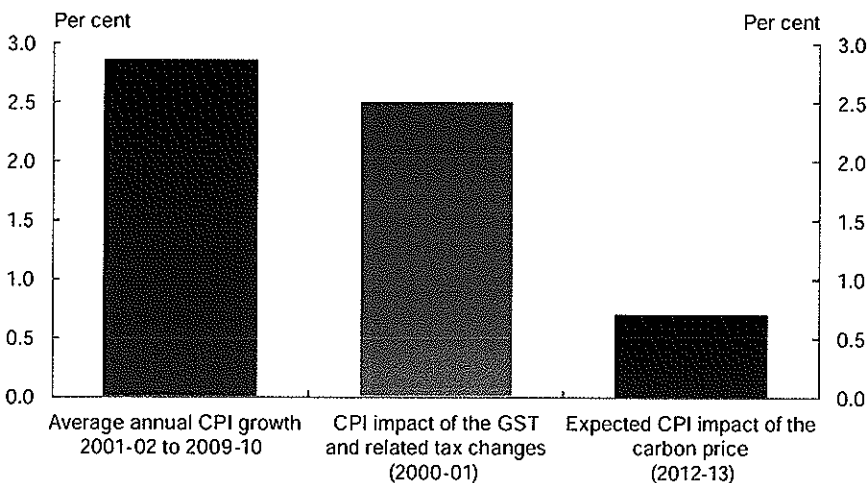
- increases in pensions, allowances and family payments that they may receive
- income tax cuts on top of these increases.

The assistance will mean:

- Pensioners and self-funded retirees will get up to \$338 extra per year if they are single and up to \$510 per year for couples, combined
- Families with two children will get up to \$220 in extra Family Tax Benefit Part A, and other families will get up to \$110 per child
- Families will get up to an extra \$69 in Family Tax Benefit Part B
- Allowance recipients will get up to \$218 extra per year for singles, \$234 per year for single parents and \$390 per year for couples, combined
- On top of this, taxpayers with annual income of under \$80,000 will all get a tax cut, with most receiving at least \$300 per year.

On average, households will see cost increases of \$9.90 per week, but receive assistance of \$10.10 per week.

Price impact from the introduction of a carbon price compared to history



Price impacts of introducing a carbon price

The impact of the carbon price will be modest compared to other price increases.

The carbon price will increase prices by 0.7 per cent over 2012-13, as measured by the consumer price index (CPI).

This is much smaller than the:

- 2.5 per cent increase from the GST and related tax changes
- 2.9 per cent average annual inflation between 2001-02 and 2009-10.



Jobs and competitiveness

Jobs in a Clean Energy Future

Moving to a clean energy future will provide new economic opportunities for Australian workers.

Opportunities will open up in existing businesses as they move to operating in a clean energy future. Many businesses will invest in new technology to generate less pollution and become more efficient.

Jobs will also be created in new clean industries such as renewable energy generation, carbon farming and sustainable design, to name just a few.

Strong jobs growth as pollution is cut

The Government has carefully designed a number of measures to support jobs and competitiveness as we move to a clean energy future.

All of these measures have been designed to ensure that Australia continues to experience strong jobs growth while at the same time providing incentives to cut pollution in our economy.

The Jobs and Competitiveness Program

The Jobs and Competitiveness Program will support local jobs and production, and encourage industry to invest in cleaner technologies.

The ongoing program will provide \$9.2 billion of assistance over the first three years of the carbon pricing mechanism, targeted at companies that produce a lot of carbon pollution but are constrained in their capacity to pass through costs in global markets. Assistance will be provided to around 40-50 of these 'emissions-intensive trade-exposed' industrial activities, such as steel, aluminium, cement and zinc manufacturing. Businesses producing over 80 per cent of the manufacturing sector's emissions are expected to be eligible for assistance under this program.

The most emissions-intensive trade-exposed activities will receive assistance to cover 94.5 per cent of industry average carbon costs in the first year of the carbon price, with less emissions-intensive trade-exposed activities to receive assistance to cover 66 per cent of industry average carbon costs. Assistance will be reduced by 1.3 per cent each year to encourage industry to cut pollution.

Regular reviews will ensure that the Jobs and Competitiveness Program remains in step with international action on climate change and continues to support jobs and competitiveness.

Additional measures for manufacturing

The Government is delivering a \$1.2 billion Clean Technology Program, over and above the Jobs and Competitiveness Program, to help directly improve energy efficiency in manufacturing industries and support research and development in low pollution technologies.

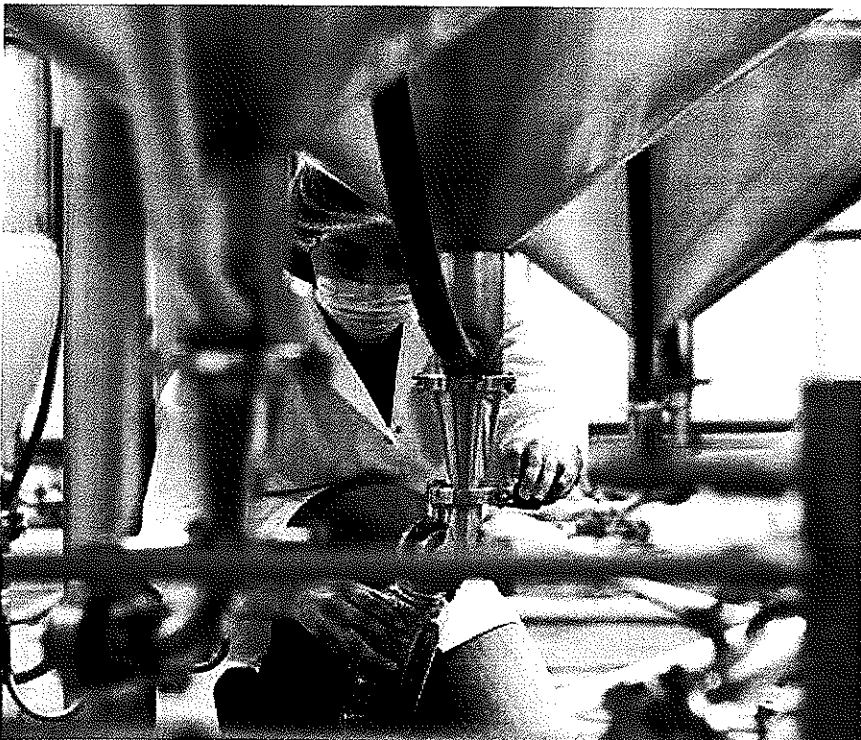
...in a clean energy future

Food processing, metal foundries, steel manufacturing and coal mining

\$200 million of the Clean Technology Program supports jobs in food processing, metal forging and foundry industries. This program recognises the energy costs these businesses face and targets assistance at important energy efficiency opportunities.

The \$300 million Steel Transformation Plan will support and assist the industry transition to a clean energy future, and recognises the pressures currently facing this important industry.

The \$1.3 billion Coal Sector Jobs Package will provide transitional assistance to help the coal industry to implement carbon abatement technologies for the mines that produce the most carbon pollution. The amount of carbon pollution produced by coal mines varies greatly, so the fairest way to deliver assistance is to target assistance at those mines that are most impacted by the introduction of the carbon price.



Small business

The carbon pricing mechanism will impose no red tape on small businesses — they will have no reporting or compliance obligations. The Government is delivering new measures to help small business improve their energy efficiency and lower their costs.

The instant asset write-off for small businesses with turnover of less than \$2 million per year will be increased to \$6,500.

The \$40 million Energy Efficiency Information Grants program will empower small to medium businesses and community organisations to improve their energy efficiency through targeted, industry specific advice on actions to reduce energy use.



Investing in renewable energy and clean technologies

Record Support for Renewables

Together with the carbon price and Renewable Energy Target, the Clean Energy Finance Corporation and the Australian Renewable Energy Agency will drive the biggest expansion in the clean energy sector in Australia's history, building a critical mass of renewable energy, energy efficiency and low-emissions generation projects.

Over \$13 billion will be invested in clean energy projects

The carbon price will provide a very significant incentive for the development of clean technologies, especially renewable energy. The Government will complement this market signal with targeted investments to bring forward new technologies at as low a cost as possible.

A Clean Energy Finance Corporation

A \$10 billion new commercially oriented Clean Energy Finance Corporation (CEFC) will be established to drive innovation through commercial investments in clean energy through loans, loan guarantees and equity investments.

The CEFC will leverage private sector financing for renewable energy and clean technology projects, investments critical to the transformation of the Australian economy. It will identify projects and remove barriers that would otherwise prevent the financing of large scale renewable energy projects.

Investments will focus on renewable energy, energy efficiency and low emissions technologies and the transformation of existing manufacturing businesses to re-focus on meeting demand for inputs for these sectors.

The CEFC will be run by an independent Board made up of experts in banking, investment management and clean energy and low emissions technologies.

The Australian Renewable Energy Agency

A new, independent statutory body, the Australian Renewable Energy Agency (ARENA), will be created to coordinate around \$3.2 billion in existing grant funding programs supporting research, development and demonstration of new renewable energy technologies.

The establishment of ARENA as an independent statutory body presents a unique opportunity to adopt a holistic approach to financing the research, development, commercialisation and demonstration of renewable energy technologies.

...to transform our energy sector

Australia's Renewable Energy Target

The Government's Renewable Energy Target will ensure that 20 per cent of Australia's electricity comes from renewable sources by 2020.

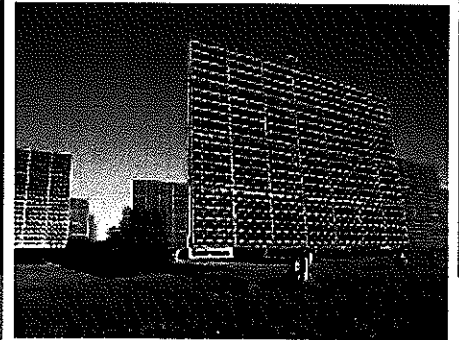
The Renewable Energy Target (RET) is accelerating the widespread commercial availability of renewable energy technologies, and helping to smooth the transition to a clean energy economy. The Government's plan is expected to drive around \$20 billion of investment in renewable energy by 2020, in today's dollars. The RET is supporting both large scale renewable energy projects, such as wind farms and solar plants, and small scale installations for households, small business and community groups.

The RET will mean that by the early 2020s the amount of electricity coming from sources like solar, wind and geothermal will be almost as large as all of Australia's current household electricity use.

Working with industry to power Australia's energy future

The Government will provide grants of up to \$200 million over five years through the Clean Technology Innovation Program to support business investment in renewable energy, low emissions technology and energy efficiency. This could support manufacturers to develop new clean technology products.

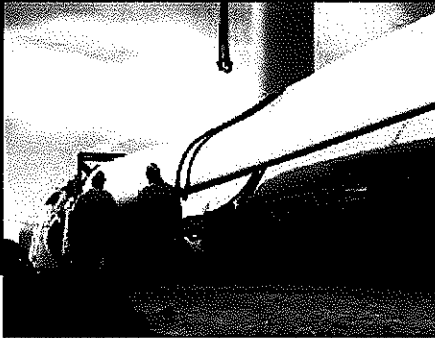
This funding will be in addition to the broader research and development tax credit.



Growing our Solar Power Capacity

The Government is bringing forward a new era in large-scale solar generation. Grid-connected solar power stations will be built and will supply up to 1000 megawatts of clean energy generation to Australia's electricity market.

The Government has recently announced that \$464 million has been awarded to Solar Dawn, a thermal solar power station to be built in Chinchilla, Queensland and \$307 million has been awarded to Photovoltaic Moree Solar Farm in New South Wales. These two power stations are expected to be in operation from 2015, and will be two of the largest solar installations in the world, supplying enough electricity for 115,000 Australian homes per year.



Moving towards a clean energy future

Transforming the way we generate power

Coal-fired electricity generation accounts for 75 per cent of Australia's electricity, and a substantial proportion of Australia's carbon pollution. In fact, Australia has the highest polluting electricity sector of all OECD countries due to our reliance on coal, and our pollution is set to increase significantly with rising demand for electricity.

Australia's electricity generation technologies will undergo a comprehensive transformation as a result of the carbon price. This will drive a shift from coal to gas and renewable generation.

We will safeguard our energy security while moving to clean energy

The Government will implement measures to underpin a successful energy market transition and maintain secure energy supplies.

An Energy Security Fund to promote security and transformation

An Energy Security Fund will be established to ensure there is a smooth transition in our energy sector as we move to a clean energy future.

The Government will seek to negotiate the closure of around 2000 megawatts of highly polluting generation capacity by 2020. Closing down some of our high polluting coal-fired capacity makes room for investment in low pollution plant, and kick starts the transformation of our energy sector in a responsible way.

Electricity generators that are strongly affected by a carbon price will be supported with cash assistance and free permits in return for adopting clean energy investment plans showing how they will reduce their pollution.

In addition to the Energy Security Fund, the Government will also provide the following measures to safeguard energy security and encourage transformation of the sector:

- Short-term loans to generators to help finance purchases of carbon permits.
- An Energy Security Council will advise the Government on emerging energy supply risks.
- The Government will work with the Australian Energy Market Operator to ensure its transmission planning role prepares us for the clean energy transformation and greater integration of renewable energy to the electricity grid.

Cutting pollution in our transport sector

The Government will reduce transport pollution at lowest cost to households

The Government's Clean Energy Future Plan will deliver reductions in pollution from the transport sector while also keeping the cost to households down.

Households will pay no extra at the bowser due to the carbon price

The Government understands that fuel costs are a significant share of many household budgets and that households and most small businesses already pay excise on the fuel they use.

For these reasons, the Government has decided that household and small business use of light on-road vehicles will not face a carbon price on their fuel.

Encouraging lower pollution in business transport

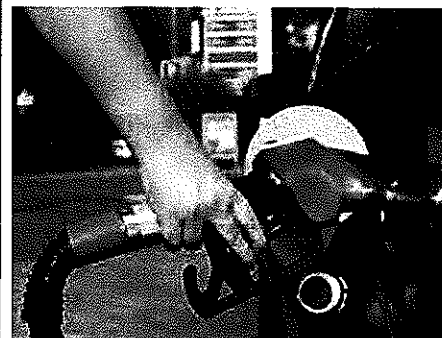
Unlike households, many businesses are eligible for a fuel tax credit to offset their fuel excise.

From 2012-13, some businesses will face an effective carbon price on their use of transport fuels through reduced fuel tax credits. Combined with new emissions standards for vehicles, this will help to reduce carbon pollution in the transport sector.

Businesses in the agriculture, fisheries and forestry industries will be exempt from the reduction in fuel tax credits and will therefore be shielded from the effective carbon price on their transport fuel costs. This will help keep food costs down for households.

As aviation fuels do not receive fuel tax credits, domestic aviation fuel excise will be increased by an amount equivalent to the carbon price.

It is the Government's intention to apply the fuel tax credit arrangements to the heavy on-road vehicle industry from 2014-15.



Supporting new fuel efficient vehicles

A new wave of vehicles will soon become available that are cleaner and cheaper to run. Under new standards being introduced from 2015, all car manufacturers will be required to reduce emissions levels from vehicles they sell by introducing better technologies.

The Government is working with the automotive industry to set the emissions levels that will apply under the new standards. On top of reducing carbon pollution from transport, this initiative will deliver real cost savings for motorists through improved fuel efficiency in new vehicles.



Creating opportunities in the land sector

A significant boost for biodiversity

The new Biodiversity Fund will support projects that deliver biodiversity and related environmental benefits.

Australia has highly diverse native ecosystems. Biodiversity plays a crucial role in maintaining the productive capacity of our landscape. Restoring native vegetation and soil carbon can build and protect our biodiversity.

Over the period to 2014-15, \$1 billion will be provided through the Biodiversity Fund and other land-based measures to landholders to establish new native vegetation and habitats in targeted areas of high conservation value and to maintain or enhance existing native vegetation for its carbon and biodiversity benefits.

These measures will help protect Australia's ecosystems, building resilience to the impacts of climate change.

Carbon Farming Initiative: bringing new opportunities to the regions

The Government's Carbon Farming Initiative (CFI) is a key program that will provide economic rewards for farmers and landholders who take steps to reduce carbon pollution. It will do this by creating credits for each tonne of carbon pollution which can be stored or reduced on the land.

The CFI will create a new income stream for farmers, new jobs for rural and regional Australia and provide strong incentives to identify and implement low-cost methods of pollution reduction.

Driving participation in the Carbon Farming Initiative

Through the new Carbon Farming Futures program, funding will be provided to the land sector for research, measurement and to take action on the ground including support for new conservation tillage equipment. Farmers will be provided with the tools to understand how to generate carbon credits and benefit from carbon farming.

Building job skills for the future

The CFI will increase the demand for service providers such as carbon brokers, auditors, natural resource management bodies and authorities, farm extension officers and advisors, and agronomists. The Carbon Farming Skills program will ensure that there are people in regional Australia with the necessary skills to support implementation of the CFI. It will further drive the development of the carbon jobs sector by setting up a training and accreditation system, boosting rural and regional employment.

Guaranteed purchase of carbon credits

The Government will purchase carbon credits through the CFI non-Kyoto Carbon Fund. This program will create incentives to undertake land-based action such as the storing of soil carbon, revegetation and forest conservation.

...to improve productivity, sustainability and resilience

Regional planning for climate change

National Resource Management (NRM) organisations will receive additional funding to incorporate the impact of climate change in their regional NRM plans and detail scenarios of climate change impacts on a regional level. The plans will provide a guide for finding the most appropriate locations for new projects to store carbon as part of the CFI.

Support for Indigenous participation

The Indigenous Carbon Farming Fund will help Indigenous Australians to take full advantage of the CFI. This will make it easier for indigenous groups to participate in the CFI by addressing barriers associated with communal and non-exclusive land tenure.

Governance

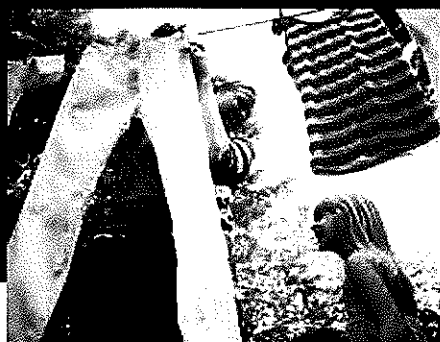
The Land Sector Carbon and Biodiversity Advisory Board will be created to provide advice to Government on administering these measures.



Carbon Farming will benefit farm productivity and the environment

Carbon farming projects can increase resilience to the impacts of climate change, protect our natural environment, and increase farm profitability and food production. Increasing carbon storage in agricultural soils improves soil health and productivity. Revegetation will help restore degraded landscapes, provide biodiversity habitats and corridors, and help to address salinity, protect livestock and reduce erosion.

For example, farmer Elsie could take up a new tax offset to buy no-till farming equipment to improve her soil productivity and water retention. She could also plant mixed species on an area of her property to connect an important wildlife corridor. Elsie would have income from government purchased soil carbon credits, biodiversity funding and tree planting credits which could be sold to polluters under the carbon price.



Encouraging energy efficiency

How can I save money and reduce my own pollution?

Energy efficiency improvements around the home require the right know-how. The Government's LivingGreener website (www.livinggreener.gov.au) provides information on living sustainably and will connect to all Commonwealth, state and territory energy efficiency and climate change programs.

The website will include information on how households can improve energy efficiency to save dollars and cut carbon pollution.

A household information and telephone advice line will assist those who can't access information online. Information will also be provided via social media channels.

Energy efficiency involves conserving energy use, avoiding waste and working smarter — it makes sense

Australia can reduce carbon pollution by improving energy efficiency across Government, business and households. Small actions can mean a big difference overall, and simple improvements to the way we do things also enable us to save money. That's why energy efficiency is a key part of the Government's plan for a clean energy future.

The Government will be further developing a national energy savings scheme that could reward energy efficiency actions across households and businesses.

Helping households save money on their energy bills

The Government will be supporting households to use energy more wisely by providing advice, including through the Living Greener website, which provides information on how households can save money by improving their energy efficiency.

Low Carbon Communities is being expanded to \$330 million to fund projects to help low income households, local governments and community organisations save energy.

The Remote Indigenous Energy Program will provide around 55 remote indigenous communities with funding to install renewable energy systems, reducing reliance on diesel for electricity generation.

Helping businesses become more energy efficient

The carbon price will provide strong incentives for businesses to improve their energy efficiency. The Government will help businesses in this process through a range of measures, including the \$1.2 billion Clean Technology Program.

In addition, the Government is establishing a program for industry associations and non-government organisations to deliver tailored information to small businesses and community organisations on ways to manage carbon price impacts.

...means saving money and reducing pollution

We are already making a difference through a range of successful Government initiatives

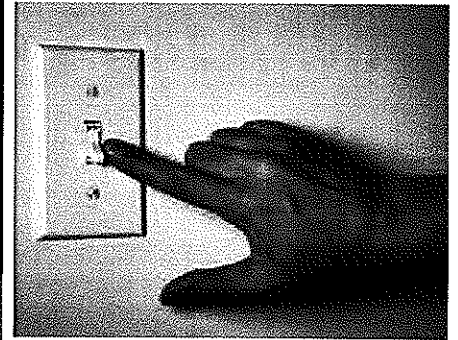
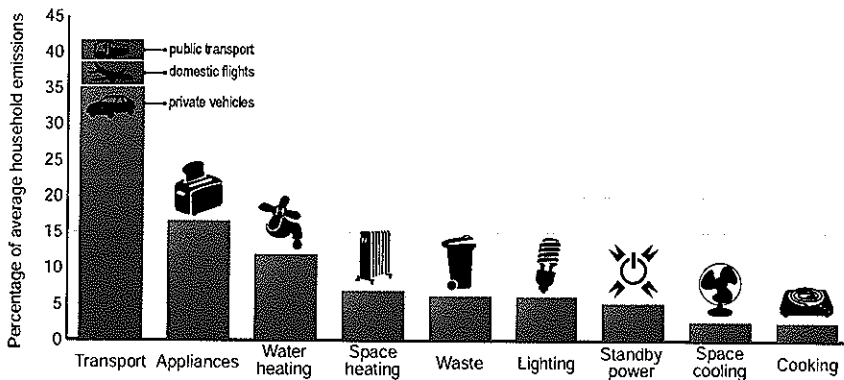
Energy efficiency labelling on appliances and Minimum Energy Performance Standards help consumers make informed energy choices and remove the most inefficient appliances from the market.

Assistance is being provided to support installation of solar hot water systems and small renewable energy generation units, such as rooftop solar panels, and small scale wind and hydro electricity systems, through the Renewable Energy Bonus Scheme — Solar Hot Water Rebate (REBS) and Solar Credits.

Incandescent light bulbs and electric hot water systems are being phased out.

Energy efficiency in buildings is being improved by setting minimum standards for new buildings and driving energy efficiency targets in Australian Government operations.

Sources of household emissions in Australia:



Every little bit helps

The average Australian household produces around 14 tonnes of carbon pollution each year. Small changes at home can reduce energy use and provide significant savings. For example, it is estimated that for a family of four in just one year:

- Washing clothes in cold rather than hot water can save around \$90
- A solar hot water system (replacing an electric system) could save over \$400
- Getting rid of the second fridge could save around \$180
- Using a clothesline instead of an electric dryer once a week could save around \$55
- Switching off appliances at the power point could save up to \$100

Key components of the Government's plan for a Clean Energy Future

Household assistance	
Income tax cuts, increased family payments and pension rises ³	\$14.9 billion over the forward estimates ¹
Support for jobs	
Jobs and Competitiveness Program	\$9.2 billion over the forward estimates ¹
Clean Technology Program	\$1.2 billion over 7 years from 2011-12
Coal Sector Jobs Package ²	\$1.3 billion over 6 years from 2011-12
Support for energy markets	
Energy Security Fund	\$5.5 billion over 6 years from 2011-12
Clean energy	
Clean Energy Finance Corporation ⁴	\$10.0 billion over 5 years from 2013-14
Australian Renewable Energy Agency ⁵	\$3.2 billion over 9 years from 2011-12
Energy efficiency	
Low Carbon Communities ⁶	\$330 million over 6 years from 2010-11
Small business support	\$240 million over the forward estimates ¹
Land sector	
Biodiversity Fund and other land-based measures	\$1.0 billion over the forward estimates ¹

1. The forward estimates are the period from 2011-12 to 2014-15.
2. Government-only measure.
3. Also includes residential aged care assistance and the Essential Medical Equipment Payment.
4. The Clean Energy Finance Corporation will make investments by purchasing financial assets. The headline investments of \$2 billion per year do not directly impact on the Government's underlying cash balance.
5. Includes existing funding as well as funds held in the Australian Centre for Renewable Energy special account.
6. Includes existing funding of \$80 million over four years from 2010-11.



