

18 Climate Change Action Fund

The Climate Change Action Fund will provide targeted assistance to businesses, community sector organisations, workers, regions and communities to smooth the transition to a carbon constrained economy. It will provide assistance by addressing both the distributional impacts of the Scheme and persistent market failures that impede the uptake of lower emission technologies and processes.

While the impacts of the Carbon Pollution Reduction Scheme (the Scheme) will be spread broadly across the economy, some sectors may be disproportionately affected in the transition to the Scheme. The Government recognised this in the Green Paper, indicating its preference to establish the Climate Change Action Fund (CCAF) to assist businesses and communities to adjust to the impact of the Scheme.

This chapter outlines the objectives, design and timing of the CCAF.

- Section 18.1 sets out the objectives of the CCAF.
- Section 18.2 describes the design of the fund and the scope of activities that will take place through the CCAF.
- Section 18.3 outlines the governance arrangements for CCAF and the Government's timetable for finalising guidelines and eligibility criteria, following further consultation with stakeholders.
- Section 18.4 considers the CCAF's potential to create opportunities for jobs of the future.

18.1 Objectives

In the Green Paper, the Government stated that the challenge of adjusting to a lower emissions environment will be broadly shared across the economy. However, the Government also recognised that during the transition period some industries and communities may be disproportionately affected due to their emissions intensity, inability to pass on carbon costs or lack of emissions abatement options. Accordingly, the Government is providing significant support to emissions-intensive, trade-exposed (EITE) industries through the administrative allocation of permits covering a significant proportion of their direct and indirect emissions (see Chapter 12). In addition, the Government is also providing limited direct assistance to some coal-fired electricity generators through the Electricity Sector Adjustment Scheme (ESAS) (see Chapter 13). The Government is also providing significant assistance to households (see Chapter 17).

Through the EITE and ESAS assistance packages, the Government has committed significant support to those industries that face the greatest material impact of the Scheme. However, various segments of the economy that will nevertheless be affected by the introduction of the Scheme and may face difficulties in adjusting to a carbon constrained environment. For

example, in certain circumstances, some companies may have difficulty assessing and addressing their exposure to the carbon price. Without assistance, it is possible that some industries, companies and community organisations will face a decline in production, profitability or service delivery. The Government committed in the Green Paper to establishing the CCAF to help smooth the transition to the Scheme for those firms and organisations not receiving assistance through other elements of the Scheme, but which may nevertheless need assistance to adjust to the carbon price.

In the Green Paper, the Government set out the following preferred position.

Green Paper position

To assist business more generally, the Government proposes to establish the Climate Change Action Fund. The Fund will focus predominately on those industries not receiving free permit allocation, but which nevertheless need assistance to adjust to the carbon price.

Submissions to the Green Paper were highly supportive of the establishment of the CCAF to provide transitional assistance for businesses, industries and communities unlikely to be eligible for EITE or ESAS assistance. For example, in its submission, the Australian Chamber of Commerce and Industry stated:

ACCI supports the establishment of the Climate Change Action Fund (CCAF) for assisting firms specifically or industry more broadly as well as employees and their communities. (Submission 786, p. 9)

Submissions to the Green Paper suggested a number of objectives for the fund, including the need to help address the effects of the Scheme on small and medium sized enterprises in the transitional period of the Scheme (Australian Industry Group, Submission 882). Due to their smaller size, most SMEs will not be liable entities under the Scheme, and will not be required to surrender permits or engage with the Scheme mechanisms in any substantive way. However, SMEs will be a conduit for price changes throughout the economy as the price of energy, transport and other business inputs change with the introduction of a carbon price. Assisting SMEs to realise low cost abatement options, such as energy efficiency improvements in the transitional period of the Scheme, will ameliorate the overall impact on businesses and reduce the overall cost of the Scheme.

The Australian Industry Group (Submission 882) also stressed the need for support for liable entities that may be ineligible for free permits under the EITE assistance framework. In particular the Australian Industry Group argued for support for liable entities in industries that fall in a range immediately below the lower threshold for EITE assistance, which at the time of the Green Paper was 1500 tonnes of emissions per million dollars revenue, reduced now to 1000 tonnes of emissions per million dollars revenue (or 3000 tonnes of emissions per million dollars of value added).

The special circumstances of parts of the coal sector are discussed below.

Support from stakeholders was also strong for the CCAF to provide a means for transitional assistance for particular community sector organisations (Aged and Community Services Australia, Submission 855). Community service organisations are in a similar position to SMEs, in that they will not generally be liable entities under the Scheme and may not be fully

aware of their exposure to the carbon price. Not-for-profit community service organisations support some of the most financially vulnerable in our society, and may experience higher operating costs as a result of the Scheme. They are for the most part unable to pass on these costs which may mean that their ability to provide essential services to the community is reduced.

In the Green Paper, the Government indicated that while existing welfare safety net support mechanisms provide a means to assist affected workers and regions, additional support may be required in some cases.

Submissions also highlighted the need to ease the transition for workers, regions and communities to a lower carbon economy (Geelong Chamber of Commerce, Submission 443; Members Equity Bank, submission 439). In its submission to the Green Paper, the Australian Council of Social Services (ACOSS) stated:

ACOSS is fully supportive of policies and programs that ease the transition for workers, communities and regions to a low carbon economy. However, while there may indeed be measures already in existence, the Climate Change Action Fund should be directed to address structural adjustment necessitated by climate change and responses, including the CPRS. Climate change will likely prove to be a concern rightly regarded as whole-of-government and whole-of-economy. Where the need for assistance to adjust is attributable to climate change and where the resources of the Fund permit, the Fund should be used for this purpose. (Submission 887, p.23)

The Government agrees with these general views on the direction of the CCAF. The Government has decided, therefore, that the priority of the CCAF should be on smoothing the transition to the Scheme for:

- businesses that are not eligible for other forms of assistance associated with the Scheme, with the exception of firms receiving the lower level of EITE assistance, recognising that there may be other situations where assistance is warranted
- small to medium sized enterprises and community sector organisations which will be impacted by the Scheme
- specific industries, workers, regions and communities that will experience a concentrated impact flowing from the implementation of the Scheme.

Policy position 18.1

The objective of the Climate Change Action Fund will be to assist in smoothing the transition for businesses, community sector organisations, workers, regions and communities to an operating environment that includes a price on carbon.

18.2 Design

In the Green Paper, the Government proposed that support under the CCAF would be provided in two distinct components—firm specific support (including various one-off grants or broader industry wide measures), and support to particular workers and communities.

The Government also indicated the activities that could be supported through the CCAF include capital investments in new low emission processes, industrial energy efficiency projects with long pay back periods, and the dissemination of information regarding innovative practices among small to medium sized enterprises.

Stakeholders commented broadly in submissions to the Green Paper on the design and the types of assistance that might be provided for under the CCAF. In general, stakeholders expressed support for:

- capital subsidies for investments in low emissions technologies and infrastructure (for example, Australia Industry Group, Submission 882)
- funding for large-scale demonstration of energy efficiency measures (for example, WA Chamber of Commerce and Industry, Submission 500)
- assistance to overcome information barriers and provision for workforce retraining and re-skilling (for example, Members Equity Bank, Submission 439).

18.2.1 Four streams of assistance

In targeting assistance under the CCAF, the Government's preference is to correct market failures that may prevent or impede the uptake of low emissions technologies and processes that are otherwise cost effective and, where required, to provide structural adjustment assistance to industries and communities disproportionately affected by the Scheme. With this in mind, the CCAF will be designed in four streams, which will include:

- the provision of information to businesses and community service organisations about the operation of the Scheme and how these entities can manage the expected financial impacts
- grants and incentives for businesses and community service organisations to invest in energy efficiency projects and low emissions technologies, processes and products
- structural adjustment assistance in the event workers and communities are significantly impacted by the introduction of the Scheme
- structural adjustment assistance for coal mines with high fugitive emissions which will be significantly impacted by the introduction of the Scheme.

In order to support these activities the Government will commit \$2.15 billion to the CCAF over a five year period running from 2008–09 to 2012–13. The Government has committed an additional \$300 million for structural adjustment assistance for coal mines with high fugitive emissions over the period 2013–14 and 2014–15. The CCAF will complement existing climate change measures such as the Clean Business Australia initiative and the low emissions technology funds including the National Low Emissions Coal Fund.

Annual budgets will range between \$300–700 million during the program delivery phase (2009–10 to 2012–13) with some small-scale program establishment expenditure allocated in the early phase of the fund. The additional \$300 million over 2013-14 and 2014-15 is for the continuation of the *Coal Sector Adjustment Stream*.

Stream 1: Addressing information gaps for business and community organisations

Lack of information is a persistent market failure that can act as a barrier to the uptake of less carbon intensive practices and processes. This impacts on the ability of firms and community organisations to respond to a carbon price.

In submissions to the Green Paper, stakeholders strongly supported the provision of information to help businesses adjust to the impact of the Scheme. For example, in its submission to the Green Paper, the Western Australian Chamber of Commerce and Industry stated:

CCI also believes that the CCAF should fund information, training and advisory services for small and medium enterprises. This would allow businesses that are not directly involved in permit trading to understand, adapt and mitigate their own carbon emissions footprint. (Submission 500, p.25)

The information stream of the CCAF will focus on informing businesses and community service organisations about the operation of the Scheme and how they can manage the expected financial impacts. It will also improve information available to assist the uptake of low emission practices and processes, particularly during the early years of the Scheme when the price signal is expected to be low. A unified information stream will ensure that businesses impacted by the Scheme, particularly SMEs and non-EITE industrial firms, and community sector organisations, have a single information point on the operation of the Scheme and advice on how to manage its possible impacts.

The information stream of the CCAF will be designed and delivered in partnership with business groups, industry associations and community services sector peak bodies and will proactively harness the expertise and networks of these representative bodies.

Funding for the CCAF information stream will be up to \$130 million, over five years, beginning in 2008–09. This will fund the following activities:

- The development of broad based information and education outreach material for small businesses and community groups, to build awareness of the operation of the Scheme and knowledge of low emission opportunities. Carbon prices may not be “top of mind” for many businesses, even though they are potentially vulnerable to impacts. Businesses and industries will benefit from assistance to understand where carbon price impacts will flow through into their particular processes and practices. Once this is understood, businesses will be better informed to make judgements about how to best manage the carbon price impacts on their operations. This material will be developed and delivered in partnership with relevant industry bodies.
- The development of targeted outreach information for community sector organisations, small and medium sized enterprises and larger industrial businesses. This information would include tailored advice on low emission opportunities and available assistance packages, and be delivered through relevant community and industry associations. For example, there may be a range of alternatives available for a particular process that would allow a business to reduce exposure to a carbon price. Unless this information is available to business, processes or technologies which may be cost-effective choices will remain unexploited. An example that the CCAF might support could be a website information portal for industry with best practice case studies.

- The development and dissemination of information on energy efficiency opportunities through the funding and publication of model energy efficiency assessments for particular industries. In addition to these assessments, the CCAF may also support energy benchmarking for a particular sector, so that members can understand how well their business performs against the average.
- Activities to address skill shortages in energy auditing and advisory services.

The timeframe for the development and detailed design of the Information stream is outlined in section 18.3 below.

Stream 2: Investment in energy efficiency and low emissions technologies

This stream will comprise of three sub-programs to provide grants and incentives for businesses and community groups to invest in energy efficiency projects and low emissions technologies, processes and products. The *Small Business Capital Allowance* and the *Community Organisation Capital Allowance* programs will assist small business and small community organisations to invest in energy efficiency equipment, while the *Innovation in Climate Change* sub-program will target large-scale emission reduction opportunities. The funding for this stream will be up to \$1.4 billion over 5 years commencing with program development in 2008–09.

Small Business Capital Allowance

The *Small Business Capital Allowance* program will provide small business with assistance to invest in energy efficiency equipment (for example efficient hot water systems; improved insulation; efficient lighting, motors and drives; combined heat and power equipment; heating, ventilation and air conditioning; and refrigeration equipment) that meets established energy saving criteria.

Applicants will be required to complete an allowance application form, identifying which eligible activities will be undertaken and, upon completion, be partially reimbursed for the capital and installation costs of the energy efficiency equipment. Priority will be given to those small businesses that are not eligible for other forms of assistance. Detailed program guidelines and eligibility criteria for this program will be developed in the first half of 2009.

Community Organisation Capital Allowance

Like the *Small Business Capital Allowance* this sub-program will provide community organisations with assistance to invest in energy efficiency equipment that meets established energy saving criteria. Applicants will be required to complete an allowance application form, identifying which eligible activities will be undertaken. Upon completion, applicants will be partially reimbursed for the capital and installation costs of the energy efficiency equipment. Detailed program guidelines and eligibility criteria for this measure will be developed in the first half of 2009.

Innovation in Climate Change

The *Innovation in Climate Change* program will provide competitive grant funding to contribute to the cost of innovative low emission technologies, production methods, supply-chain improvements or products, and energy savings projects with long pay back

periods. Priority will be given to those businesses that are not eligible for other forms of assistance, or receive the lower rate of EITE assistance, recognising that there may be other situations where assistance is warranted. The competitive funding rounds will begin in late 2009. Any cap to be placed on grants made under this program, co-contribution levels and program eligibility criteria will be determined in the first half of 2009.

This program will complement the Government's existing range of energy technology specific funds such as the Renewable Energy Fund, Energy Innovation Fund, the National Low Emissions Coal Fund, Re-tooling for Climate Change and the Green Building Fund.

The timeframe for the development and detailed design of the Investment stream is outlined in section 18.3 below.

Stream 3: Structural Adjustment Provision for Workers and Communities

The third CCAF stream will provide structural adjustment assistance in the event that workers and communities are disproportionately impacted by the introduction of the Scheme.

In the Green Paper, the Government indicated that it would address particular impacts of the Scheme on workers, communities and regions. Further, the Government indicated that adjustment assistance would:

- take into account the existence of other measures that would assist structural adjustment in all sectors (such as social security and employment policies)
- be provided where a clear and sizable burden has been, or is highly likely to be, imposed on an identifiable segment of the community
- be designed to assist the adjustment of workers, communities and regions to their new circumstances, rather than to prevent or hinder that adjustment
- apply, as necessary, regardless of whether an affected industry has received support as a strongly affected or emissions-intensive trade-exposed industry.

The Government will continue to closely monitor the impact of the Scheme on workers, communities and regions to identify any segments of the economy that may require structural adjustment assistance. For many industries, the specific impacts of the Scheme will be not be quantifiable with any degree of certainty until the legislation is passed. In considering this issue, the Garnaut Final Report indicated that whilst it is possible that regional development issues may arise in areas heavily reliant on emissions intensive industries, it will be several years before the adverse impacts are realised and it will be difficult to quantify the extent and nature of transitional assistance required in the short-term.

This is partly because it will also be difficult to assess in advance the opportunities which may arise from the Scheme in particular regions. For example, the introduction of the Scheme will allow the unique attributes of some areas (such as those with a strong industrial and skills base, existing infrastructure and access to alternative industries) to generate new possibilities, enabling those areas to respond to the impacts of the Scheme without the need for additional support. CSIRO modelling in its report '*Growing the Green Collar Economy*' indicates that employment sectors with high potential environmental impacts will grow strongly, with projected increases of more than 10 per cent over the next ten years. CSIRO predicts this will

add 230,000 to 340,000 new jobs to the agriculture, construction, manufacturing, mining and transport sectors. In the case of construction and transport, projected growth will exceed the national average.¹

To respond effectively to this uncertainty, the Government will closely monitor the impact of the Scheme on workers, communities and regions and stands ready to provide assistance where a clear, identifiable and significant impact arises, or is highly likely to arise as a direct result of the Scheme. An amount of \$200 million has been provisionally set aside for this assistance from 2010–11.

Stream 4: Coal Sector Adjustment

The coal sector is unlike any other sector with respect to the diversity of the emission profiles between mines. Some coal mines have very high fugitive emissions. For these mines, the introduction of the Scheme may lead to a concentrated adverse impact due to the relatively high permit liabilities and in many cases limited opportunities to pass on these costs.

That said, the high variation in emissions means that some mines have very low emission intensities. Fugitive emissions from coal mines range from close to zero to 0.71 tonnes of CO₂-e per tonne of coal extracted. No other industry has the emission-intensity of different production facilities that varies by a factor of 1000. While there are some very gassy mines, the vast majority of production (nearly 90%) originates from mines which have an emissions intensity of less than 0.05 tonnes of CO₂-e per tonne of coal extracted.

Another distinguishing factor for coal mines is the potential for substantial step changes in emissions due to the availability of some relatively low-cost abatement technologies. Examples of possible abatement technologies are provided in Box 19.1.

This variation in emissions intensity means that it is problematic to treat the coal industry as eligible for EITE assistance, since estimates of the average emissions intensity of coal mining will be significantly inflated by the relatively small amount of coal produced by very gassy mines. Providing EITE assistance may lead to significant windfall gains for the less gassy mines and for gassy mines that subsequently undertake substantial low-cost abatement.

That said, certain segments of the industry, namely the most gassy coal mines, which are generally underground coal mines, would benefit from transitional assistance while they explore available abatement opportunities.

To address this problem, the Government will allocate \$750 million over the period 2010–11 to 2014–15, to assist coal mines with high fugitive emissions, with associated benefits for the communities that rely on them. The Coal Sector Adjustment Stream will involve two components—the *Coal Mining Transitional Assistance Fund* and the *Coal Mining Abatement Fund*.

This White Paper outlines the high level principles that will be frame the design of the adjustment scheme. The detailed design of this stream of the CCAF will be determined in the first half of 2009 following further consultation with stakeholders.

Coal Mining Transitional Assistance Fund

The Government will provide \$500 million through the *Coal Mining Transitional Assistance Fund* for existing coal mines (that is mines in operation at 3 June 2007) that are particularly gassy.

An amount of \$100 million per annum will be allocated amongst eligible coal mines in the form of cash payments. The Government's intention is to divide this amount between eligible mines on the basis of each mine's proportion of the total fugitive emissions (based on 2007–08 data) from mines that are eligible for assistance.

To be eligible for this fund, mines will need to:

- demonstrate that their emissions intensity is greater than 0.1 tonnes CO₂-e per tonne of output
- establish an Emissions Reduction Plan and undertake, to the best of their ability, the actions outlined in the Plan:
 - the Plan must be approved and represent *bona fide* efforts to reduce emissions
 - the mine would be required to report annually on progress towards executing the Emissions Reduction Plan
 - should the mine not fulfil the commitments outlined in the Plan, then assistance would be terminated.

The Government will make best endeavours to assist affected mines in progressing relevant planning and environmental approval matters related to the Emissions Reduction Plans.

Coal Mining Abatement Fund

The Government will provide \$250 million over five years to fund expenditure on abatement activity. All coal mines (including underground and open cut mines) will be eligible to apply for funding from the *Coal Mining Abatement Fund*. Abatement projects from mines in receipt of transitional assistance funding will be required to be consistent with their Emissions Reduction Plan. The Government's intention is that:

- funding will be provided on a competitive basis with the priority being given to cost-effective abatement, innovative technology, or the application of technology in innovative ways
- recipients will be required to provide matching funding
- consideration will be given to bring forward worthwhile abatement projects to 2009–10.

The Coal Sector Adjustment Stream will be reviewed in 2014–15 in the context of the broader review of the Scheme. The review will consider the overall impact of the Scheme on the coal sector and the likely impact in the period ahead. It will also consider the sector's experience with abatement measures. The provision of assistance to eligible coal mines through the Coal Sector Adjustment package will not preclude the re-consideration of the sector for EITE

assistance in the context of the five-yearly review in light of commodity price movements that unfold.

Box 19.1: Available abatement technologies for underground gassy mines

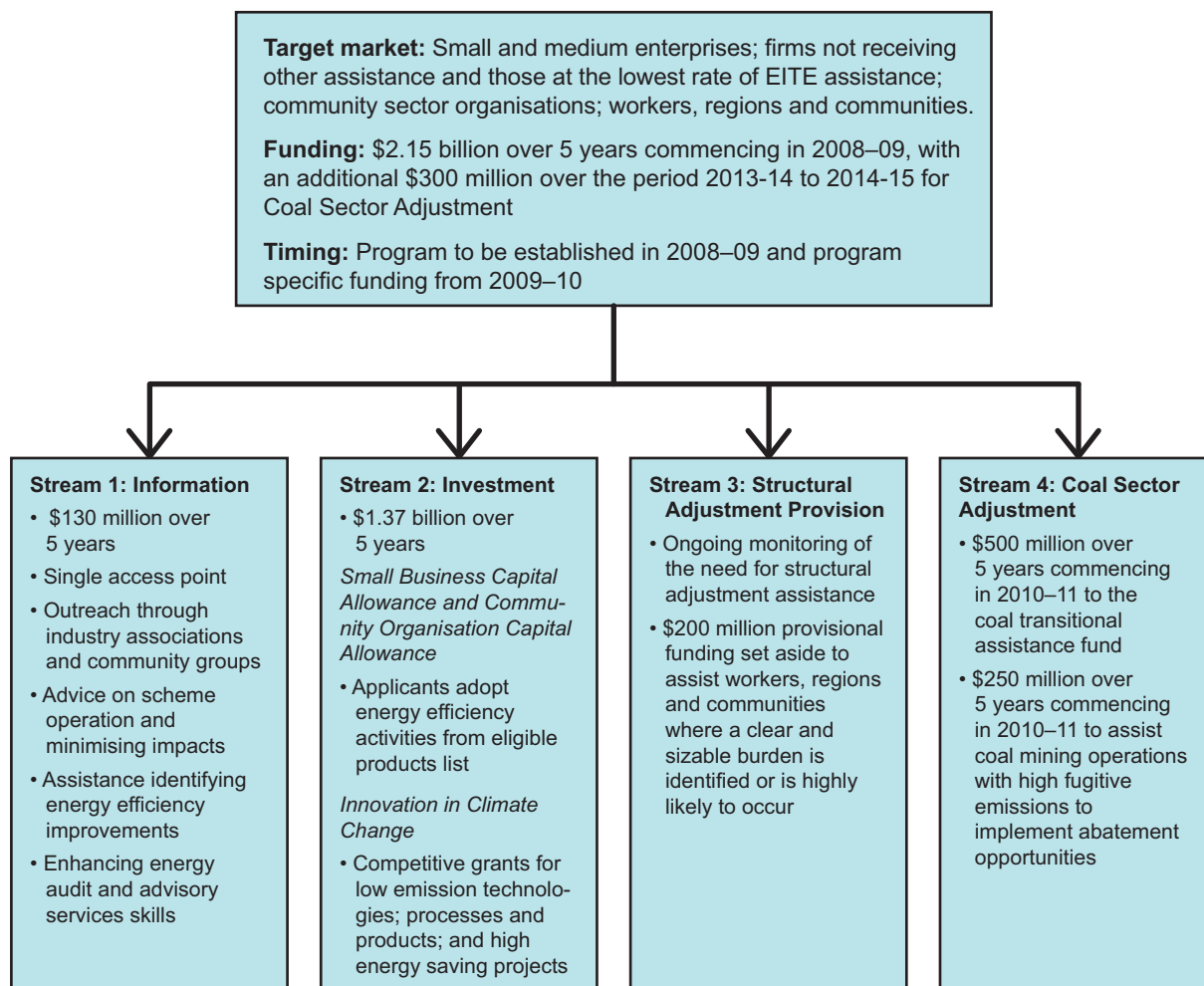
Methane from underground coal mines is commonly vented to the atmosphere but there are a number of technologies, either under development or already available, to utilise the gas and substantially reduce emissions.

Methane drained from the coal seam can now be used in a number of industrial processes such as combustion for power generation, co-firing gas injection air in power stations and as a chemical feedstock. The burning of methane through flaring is also a viable abatement opportunity. For example, flaring 30 per cent of the methane emitted from just one of Australia's gassy coal mines, has resulted in an emission reduction of 125,000 tonnes CO₂-e a year.

Methane which leaks into mine ventilation air during the mining process can also be used for power generation including use as combustion air in conventional turbine operations and in lean burn turbines or porous burners. The 'vocsidiser' technology can generate electricity fuelled by air coming from mine ventilation. This technology has been successfully installed by BHP at its West Cliff underground mining operation. This trial installation utilises some 20 per cent of the mine's ventilation to operate a 6 megawatt steam turbine and is expected to abate approximately 1.04 million tonnes of CO₂-e over four years.

The figure below provides an overview of the CCAF structure.

Figure 18.1: Structure of the Climate Change Action Fund



Policy position 18.2

The CCAF will be structured in four streams:

- Addressing information gaps for business and community organisations about the operation of the Scheme and how these entities can minimise the expected financial impacts.
- Grants and incentives to support investment in energy efficiency and low emissions technologies, processes and products.
- Structural adjustment assistance for workers and communities significantly impacted by the introduction of the Scheme. The Government will monitor the impact of the Scheme on workers, communities and regions following the commencement of the Scheme and stand ready to provide assistance where a clear, identifiable and significant impact arises, or is highly likely to arise, as a direct result of the Scheme.
- Adjustment assistance for the coal sector to address impacts on coal mines with high fugitive emissions.

18.3 Governance and timing

18.3.1 Governance

Sound governance arrangements for the implementation of the CCAF will be critical in ensuring its success in transitioning businesses, workers and regions adversely impacted by the Scheme, and to maintain the transparency and accountability of the CCAF.

A Stakeholder Consultative Committee, comprising business, environmental and community stakeholders will be established to provide advice to the Government on detailed design and implementation of activities under the CCAF. The Committee will not have a decision making role, but will advise Ministers in relation to applications and proposals received under each of the streams of the CCAF. The Committee will also provide their perspectives and advice to Ministers about the operational aspects of the regulation of the Scheme. The Committee is expected to be convened early in 2009 and to continue until the Scheme commences, at which time consultative arrangements may be adjusted to meet changing needs. The Committee will be separate from the independent expert advisory committee which will undertake strategic reviews of the Scheme every five years.

Each individual stream under the CCAF will have tailored eligibility criteria, proposal parameters, funding limits, assessment processes, success metrics and quality assurance provisions. These will be informed by the objectives and activities to be undertaken under the CCAF, and through consultation with relevant stakeholders. Ministerial oversight arrangements for the various streams of activity will be decided in 2009.

Policy position 18.3

A Stakeholder Consultative Committee, comprising business, environmental and community stakeholders, will be established to provide advice on detailed design and implementation of activities under the CCAF and on the operational aspects of the regulation of the Scheme.

18.3.2 Timing

Detailed program guidelines and the eligibility criteria for assistance under each stream of the CCAF will be determined by the Government in the first half of 2009, following consultation with key stakeholders.

The Government recognises that to smooth the transition to the Scheme, businesses and regions will require assistance to prepare for the Scheme before it begins. Therefore, following finalisation of detailed program guidelines, the CCAF will commence in the second half of 2009 with Streams 1 (Information) and 2 (Investment) to enhance the preparedness of businesses, workers, regions and communities for the commencement of the Scheme.

Stream 4 (Coal Sector Adjustment) will formally commence in mid-2010 to coincide with the commencement of the Scheme. Consideration will be given to worthwhile abatement projects being brought forward in 2009–10. The funds under Stream 3 (Structural Adjustment) will be expended as required following the commencement of the Scheme to address material impacts of the Scheme on workers, communities and regions.

Table 18.1 provides an indicative timetable for the finalisation of detailed program design and the commencement of programs under the CCAF.

Table 18.1: Indicative forward timetable

Date	Stream 1	Stream 2		Stream 3	Stream 4	
	Information	Small Business Capital Allowance	Community Organisation Capital Allowance	Innovation in Climate Change	Structural adjustment provision for workers and communities	Coal sector adjustment package
February 2009	Initial draft program design information prepared for consultation	Initial draft program design information prepared for consultation	Initial draft program design information prepared for consultation	Initial draft program design information prepared for consultation	Design and establishment of systems and underpinning analysis required to monitor the impact of the Scheme on workers, communities and regions.	Initial draft program design information prepared for consultation
March 2009	Consultation with business, industry and community groups	Consultation with small business	Consultation with community groups	Consultation with industry groups		Consultation with affected companies
April 2009	Program design finalised	Draft program guidelines released for consultation	Draft program guidelines released for consultation	Draft program guidelines released for consultation		Draft program guidelines released for consultation
Mid 2009	Agreements finalised with industry/community groups	Final program guidelines published	Final program guidelines published	Final program guidelines published		Final program guidelines published
Mid-late 2009	Information Program launch	Program launch—round 1 opens	Program launch—round 1 opens	Program launch—round 1 opens		Abatement program launch with transitional assistance commencing in mid 2010
July 2010	CARBON POLLUTION REDUCTION SCHEME COMMENCES					

Policy position 18.4

Detailed program guidelines and the eligibility criteria for assistance under each stream of the CCAF will be determined by the Government in the first half of 2009, following consultation with key stakeholders.

18.4 Opportunities for jobs of the future

The CCAF provides a substantial fund which will bring forward and enhance the creation of new job opportunities that will occur as part of the transition to a low carbon economy.

Green-collar jobs range from low-skill, entry-level positions to high-skill, higher-paid jobs, and include opportunities for advancement in both skills and wages. The CCAF, along with other policies complementary to the Scheme, have the potential to stimulate a range of these new employment opportunities in our economy in areas such as energy and resource efficiency, renewable energy, low emission technologies, product and process design. Many green jobs will not be highly visible as they will be spread across the economy as all businesses move towards more emission-efficient practices.

1 <http://www.csiro.au/resources/GreenCollarReport.html>.