

Continued support for the \$22.7bn Future Made in Australia

Key takeaways

The 2025 Budget reiterated investment backing of the \$22.7bn Future Made in Australia which was announced in last year's Budget. The program allocates \$7bn over 11 years to support refining and processing of critical minerals. This year's Budget continues this agenda and provides more detail on funding support for the production of green metals specifically.

\$3bn investments in green metals

The Federal Budget continues support for innovative technology, clean energy manufacturing and incentives for critical minerals production:

- \$2bn Green Aluminum production credits available from 2028-29: To support Australian aluminum smelters in transitioning to renewable electricity and decarbonise;
- \$1bn Green Iron Investment Fund: To help establish an Australian green iron industry by providing upfront capital support to eligible facilities.

Clean Energy Finance Corporation

The Government reiterated commitment of an additional \$2bn to the CEFC which was previously announced in January. This investment aims to continue mobilizing critical private investment into renewable energy, energy efficiency, and low emissions technologies.

Strengthen the foreign resident capital gains tax regime

The Government will defer the start date for strengthen the foreign resident capital gains tax regime which was mentioned in the previous Budget . The new commencement date will be the later of 1 October 2025 or the first quarterly date (1 January, 1 April, 1 July, or 1 October) after the it receives Royal Assent. This deferral is expected to reduce receipts by only \$50 million.

Did the Budget measure up?

Whilst the Federal Government reiterated their continued support for the previously announced \$22.7bn Future Made in Australia program and gradual transition to Net Zero economy, this year's Budget did not provide any details or new information on the Energy Transition debate. In particular, we anticipated to see more detail on future cost of energy, renewable energy investments, transmission network, nuclear power, and domestic investments in natural gas.

We score it: **2/5**



*"Energy Policy Needs More Seasoning" –
Some support, but no clear long-term
vision.*



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