

11 May 2023

More focus on economic diversification needed

“Today’s WA State Budget presents a strong surplus, full employment and increased growth. It reflects the strength of the Western Australian mining industry, and the value all West Australians can derive from its success,” said Association of Mining and Exploration Companies (AMEC) Chief Executive Officer, Warren Pearce.

“Record royalties (\$11.2B) have enabled the Government to provide much needed support for cost-of-living measures across the community, and major investments in health, education, housing and decarbonisation.”

“To continue this success, Western Australia needs to re-invest in growing our resources sector, and supporting emerging industries that will diversify our economy and drive future growth,”

“And while the State continues to make investments to support economic diversification, most of these funds are focused on infrastructure delivery.”

“The Federal Budget on Tuesday failed to deliver major support for critical minerals and value-adding opportunities, and the WA Budget also offers little additional support.”

“Western Australia needs a more focused approach to diversifying our economy, and one that leverages off the strength of the mining industry, with investment in downstream processing to realise greater value from our resources here at home.”

“In an increasingly competitive international environment, Western Australia needs to do more to incentivise international investment in value-adding.”

“The Federal and State Budgets were Australia and Western Australia’s first chance to respond to global efforts to steer investment capital in the critical minerals value chain away from Australia.”

“Both Budgets have missed this opportunity to signal to the world that we are prepared to fight for these investments, the high paid, high skilled jobs and long-term economic benefits they offer.”

“There is still time, and our industry will be looking for both the State and Federal Government to back us in as we pursue these opportunities.”

“For the broader State’s mining and exploration industry, practical and meaningful support comes down to some basic factors: ensuring timely approvals and reducing regulatory and cost burden. Delivering on promised streamlining and reducing costs of doing business when industry is buffeted by high inflation is critically important.”

“The WA mining and mineral exploration industry will benefit from the \$40million Sustainable Geoscience Investment package that Minister Johnston announced in April.”

“The \$16.1 m increase in funding for the Exploration Incentive Scheme, with a new geophysics co-funded programme will drive investment into the precompetitive data and greenfield drilling that will discover the mines of the future.”

Media enquiries to:

Kelly Oversby - Manager | Media and Communications

M: 0401 446 429 | **E:** kelly.oversby@amec.org.au

www.amec.org.au

“The \$6.2m investment in magnetotelluric data acquisition, will build on the geoscientific opportunity of the WA Array Programme. A \$4m lift in funding for the Minerals Research Institute of Western Australia will drive more money into the fundamental research that supports exploration.”

“The bionic lifting equipment for \$3.3m for the Core Libraries at Carlisle and Kalgoorlie will make one of Australia’s greatest data resources more accessible.”

“The \$35m increase in investment into Strategic Industrial Areas, focussed on the Pilbara, to undertake clearances should lead to opening up opportunities.”

“The \$3 B investment in Climate Change, with \$2.8 B delivering the Collie Battery, wind power and transmission upgrades across the electricity grid will help Western Australia decarbonise. The technologies being implemented are created from critical minerals, which further underscores the value that can be generated for Western Australia if we pursue value-adding opportunities.”

Industry will also benefit from the \$1.3 m from the Climate Action Fund for four studies to underpin the work of the Heavy Industry Sectoral Emissions Reduction Strategy.”

“Today’s Budget underscores the value of mining to Western Australia, but in the coming year the Government needs to do more to grasp the opportunity to diversify while we still can,” Said Mr Pearce.

- ENDS

Media enquiries to:

Kelly Oversby - Manager | Media and Communications

M: 0401 446 429 | **E:** kelly.oversby@amec.org.au

www.amec.org.au