

16 February 2024

Nickel added to critical minerals list

The announcement today from the Commonwealth Government, to add nickel to the critical minerals list is a welcomed measure from industry and something AMEC has been calling on for some time.

The inclusion comes exactly two months after it was overlooked on a long-awaited update in 2023.

AMEC Chief Executive Officer, Warren Pearce commented “Adding nickel to the critical minerals list makes sense and signals the Commonwealth Government intentions to deliver financial support to an industry that is hurting badly.”

The timing coincides with an Australian nickel industry battling surplus supply from overseas, lower global prices and the real risk of thousands more jobs being lost.

“Clearly, there is no single government measure that will provide an immediate fix, but there is definitely a need for intervention.”

Having nickel added to the list opens access to funding opportunities for companies via the Critical Minerals Facility, created to finance Australian critical minerals mining and processing projects.

Federal Resources Minister Madeleine King made the announcement on Perth radio this morning, with WA Premier Roger Cook hinting that there’s more to follow.

Mr Cook said “We have some levers around royalty relief and royalty rebates, and we’re looking at all options in terms of how we can support the industry.”

“It is pleasing to see both State and Federal Governments coming together to find bespoke measures that support projects still in operation, and those already in care and maintenance” added Mr Pearce.

AMEC also welcomes the recent comments from Prime Minister Anthony Albanese, around a substantial package set to be announced, that will respond in-part to the United States Inflation Reduction Act (IRA).

“There is more that can be done and needs to be done. AMEC and member companies have consistently been advocating for a Production Tax Credit (PTC), that would provide a 10% tax credit for downstream materials producers and reduce the production cost disadvantage faced by Australian projects.

“A PTC is the kind of big picture thinking that would send a strong message of support to industry, investors, and global markets.

“A strong critical minerals industry is the backbone of the global energy transition. Adding nickel to the critical mineral list is a great first step and we look forward to further measures to ensure Australia remains competitive on a global scale,” said Mr Pearce.

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