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Sharpening the nations elbows to compete globally

AMEC is encouraged by today's speech from Prime Minister Anthony Albanese at the Queensland Media Club.

'A Future Made in Australia' is intrinsically linked to the mining and exploration sector, with our vast critical minerals holding the key to a decade of great opportunity.

CEO Warren Pearce said "AMEC is continuing to work with the Federal Government on a proposal to introduce a Production Tax Credit (PTC). This would provide a 10 per cent tax credit for downstream materials producers.

"By leveraging our unique position with natural resources and expanding investment opportunities by developing new industries right here in Australia, our country can benefit from this once in a lifetime energy transition."

AMEC has been in ongoing discussions with government over the past 12 months, to demonstrate how a PTC for the down-streaming of critical minerals projects could potentially be rolled out.

Today's speech and announcement by the Prime Minister is exactly the type of action Australia needs if it wants to be a global player in the critical minerals supply chain.

"A PTC has strong industry support and the Prime Minister's speech shows a recognition that there is a role for government, to enable Australia's success in a highly competitive global environment.

"The PTC is a proven mechanism that would reward those willing to take a risk in establishing new and costly industries, that if successful, will deliver a significant return on investment for the government.

"A PTC would reduce the production cost disadvantage faced by Australian downstream projects compared to other countries like the USA, who have the Inflation Reduction Act (IRA)" added Mr Pearce.

The timing is right for Australia to level up and compete against other countries, as everyone positions themselves for the future net-zero economy.

"The PM's big picture pitch to create a 'Made in Australia' economy is a shot in the arm the mining industry needs to invest in value-adding. In order to push on with exciting projects and new industries that will drive further economic growth, jobs and wealth for our country.

"To hear the Prime Minister sharpening the elbows of our nation to protect and prosper is very encouraging.

"The Prime Minister is right. We cannot afford to sit on the sidelines while other countries put measures in place to secure their future. Doing nothing is simply not an option" concluded Mr Pearce.

To view our Production Tax Credit Report, produced by Mandala Partners, visit the AMEC website: <https://amec.org.au/ptc-resources/>

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For further comment or if you would like to speak to member companies that a PTC would benefit, please contact Ryan Rampling – National Manager of Media & Communications – 0419 809 341 / ryan.rampling@amec.org.au