MEDIA RELEASE

5 May 2026

Victorian Budget 2026/27 fails to capitalise on potential of exploration sector

The Association of Mining and Exploration Companies (AMEC) says today's Victorian State Budget must go further to deliver long-term certainty and practical reform for the resources sector, warning that rhetoric alone will not attract the investment needed to unlock the State's mineral potential.

Budget output from resources is forecast to fall by $10.8 million over 2026-27 to $47.9 million, with just $2.1 million allocated towards developing Victoria's ascendent critical minerals industry.

Funding commitments for the seminal Resources Victoria Approvals Coordinator (RVAC) has not been extended beyond the $2.5 million announced in last year's budget.

Disappointingly, more than $35 million in previous commitments outlined in the 2025-26 budget towards "supporting investment in the resources sector" and ensuring "efficient and strengthened earth resources regulation" have been scrapped.

AMEC is calling for sustained and expanded support for the sector, beyond existing commitments, with a clear and sustained focus on streamlining and expediting the approvals process for exploration and mining projects and supporting investment.

"Beyond its clear historical legacy as a gold producing state, Victoria has the opportunity to position itself as a serious player in critical minerals development, mining and downstream processing, but it needed to back that ambition with action in this Budget.

"Being 'open for business' must be more than a slogan. It needs to be a tangible reality that investors can see and trust," said AMEC Chief Executive Officer, Mr Warren Pearce.

AMEC notes that while the Government has stated its focus is on what's "easier, safer and affordable", the reality is that significant revenue-generating projects are being left on the table due to a lack of support and clear and impactful incentives for the exploration and mining industry.

In its budget submission earlier this year, a key priority focus for AMEC was to see the extension of funding for RVAC beyond FY2027. This budget has failed to deliver on that objective and compromises the longer-term certainty and integrity in the approvals process industry needs to deliver bigger and more complex resource projects.

"Without the right policy settings and investment incentives, Victoria risks missing out on projects that could deliver substantial economic uplift and regional benefits.

“Projects in Victoria are still facing complex, fragmented approvals processes that add time, cost and uncertainty,” Mr Pearce added.

While AMEC commends the Government’s on its decision to scrap previously proposed fee increases, as well as the recent $1 million grants commitment to investigate downstream antimony processing capacity, these initiatives must be backed by a coordinated, whole-of-government action to ensure they translate into real outcomes. And one that is properly funded.

“Studies and funding commitments are a positive step, but without aligned approvals and a clear pathway to development, Victoria risks falling behind other jurisdictions that are moving faster.

“Investors are looking for certainty and delivery, not just intent,” Mr Pearce said.

AMEC also raises concerns about the lack of progress on key policy areas, including the absence of detail on the Community Benefits scheme under the Critical Minerals Roadmap and limited industry consultation on the transition to a risk-based duties model under the State’s governing legislation.

With major regulatory changes on the horizon, meaningful industry consultation is essential to ensure the system is workable and delivers better outcomes.

To address ongoing land access challenges, AMEC is calling for the establishment of an independent Coexistence Victoria Working Group to better manage competing land uses across resources, agriculture, renewables and transmission.

“Land access and coexistence issues are becoming increasingly complex and are a growing source of delay and uncertainty.

“A coordinated, independent approach would help reduce risk, improve approvals timeframes and strengthen community confidence.”

Right now, the State says it is ‘focused on what matters most’, but without stronger support for exploration and mining, it risks leaving investment, jobs and future revenue behind.

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FAQs

What is AMEC’s overall response to the Victorian Budget 2026/27?
AMEC believes the Budget falls short of capitalising on Victoria’s exploration and critical minerals potential. While some positive steps were taken, the lack of sustained funding, incentives and reform risks deterring investment and delaying future projects.

Why is the lack of continued funding for the Resources Victoria Approvals Coordinator (RVAC) a concern?
The RVAC plays a key role in streamlining approvals and acting as a central point of coordination for projects. Without extending funding beyond FY2027, industry faces reduced certainty and increased risk of delays in navigating complex approvals processes.

What opportunities is Victoria at risk of missing?
Victoria has strong potential to grow its critical minerals sector and build downstream processing capability. However, without clear incentives and efficient approvals, the State risks losing investment, jobs and economic growth to faster-moving jurisdictions.

What were the positives in the Budget from AMEC's perspective?
AMEC welcomed the decision to scrap proposed fee increases and the $1 million commitment to investigate downstream antimony processing. However, these measures need to be supported by broader, coordinated policy action to deliver real outcomes.

What changes is AMEC calling for?
AMEC is calling for sustained investment in the sector, faster and more streamlined approvals, improved policy certainty, and the establishment of an independent Coexistence Victoria Working Group to better manage land access and competing land uses.

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