



Pre-Budget Submission 2020-21

Submission to the Hon. Rob Lucas MLC,
Treasurer

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South Australian Chamber of Mines & Energy

The leading industry body representing the resources sector in South Australia

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1. Introduction

The South Australian Chamber of Mines and Energy (SACOME) is the peak industry body representing companies with interests in the South Australian minerals, energy, extractive, oil and gas sectors and associated service providers. In 2020 SACOME celebrates its 40th year of industry advocacy.

SACOME's member companies combined activity have generated the following key economic outcomes for all South Australians:

- 6.4 billion in production value.
- 50% of exports from South Australia, worth almost \$5.8 billion, making it the highest value export sector in the State.
- \$2.1 billion in Capital Expenditure investment in new mines and petroleum projects.
- Employment of 12,000 South Australians.
- \$299 million in royalties to the South Australian Government.

(All data sourced from SARIG 2020)

In 2019 the State Government launched a series of planning initiatives to promote state economic growth such as the *Growth State* agenda, Infrastructure SA's 20-Year Infrastructure Plan and the Regional Development Strategy amongst others.

SACOME's 2020-21 Pre-Budget submission is made against the policy backdrop of the South Australian Government's ambitious growth target for the State, with the resources sector identified as one of the nine key industry sectors with the ability to meet the Marshall Government's target of a sustainable 3 per cent annual South Australian economic growth rate over the next five to eight years.

If growth of the South Australian resources sector is to be realised in the manner envisaged by the Marshall Government, then funding and government activity must be directed toward initiatives that catalyse investment and drive increased exports. This, by necessity, includes the difficult task of resolving key development bottlenecks such as infrastructure and land access; committing to ongoing regulatory reform; continuing to promote exploration activity; and ensuring the Department for Energy & Mining is adequately resourced to help meet *Growth State* targets.

Further, regulatory and fiscal stability is of key importance in providing certainty for investment and economic outcomes for the resources sector. Sudden changes to



licensing or royalty arrangements, for example, may operate against realisation of *Growth State* objectives.

SACOME launched its '2024 Vision'¹ in 2019 which maps a path for future development of the South Australian resources sector. There is considerable overlap between the South Australian Government and SACOME's future vision for our sector.

SACOME and its member companies also recognise the need for ongoing engagement with key stakeholders including local communities; Native Title groups; environmental groups; governments; and regulators. The 2024 Vision commits the sector to a range of social, environmental and economic outcomes aimed at benefiting South Australia.

SACOME submits a range of initiatives aimed at promoting the future economic well-being of the State through:

- Driving continued investment in mineral and gas exploration;
- Prioritising regional road maintenance and new capital expenditure on critical transport routes; development of a resources sector economic heatmap; and improved regulatory settings to incentivise infrastructure investment;
- Improving electricity affordability and reliability;
- Establishing new battery and photovoltaic panel recycling industries;
- Undertaking regulatory reform to enhance South Australia's investment attractiveness; and
- Mapping future workforce requirements for the South Australian resources sector.

SACOME and its members remain committed to working collaboratively with the South Australian Government to achieve economic prosperity for the State.

¹ <https://www.sacome.org.au/2024-vision.html>

2. State Economic Development

SACOME calls for funding commitments in the 2020-21 State Budget that encourage growth and investment in the resources sector; facilitate project and supply chain development; and assist critical mineral and petroleum resources to be brought to market.

2.1 Resources Sector Economic Heatmap

Commitment sought:

Development of a South Australian Resources Sector Economic Heatmap.

- Significant work has been undertaken by industry and government to define the location of economic resources across the State resulting in a sound knowledge of demonstrated mineral and petroleum reserves. These reserves represent yet-unrealised wealth for South Australia.
- SACOME submits that realising growth targets for the resources sector will be materially assisted by development of a 'Resources Sector Economic Heatmap', aligning requisite regulatory, development and investment attraction activity against South Australian resources projects capable of delivering *Growth State* targets.
- SACOME suggests that this Heatmap prioritises:
 - the potential economic value of a province/cluster to the State;
 - the investment required to build a path to market for identified provinces;
 - what action(s) the State can take to resolve infrastructure-related barriers to investment;
 - opportunities to leverage Commonwealth funding/prioritisation;
 - the timeframes necessary for implementing a solution;
 - the opportunity cost of doing nothing.
- SACOME calls for requisite funding of the Department for Energy and Mining to undertake this work.

2.2 Gas Acceleration Program

Commitment sought

SACOME calls on the State Government to establish a Gas Acceleration Program to complement the Accelerated Discovery Initiative and to incentivise the responsible development of South Australian gas projects.

- Funding to establish a South Australian Gas Acceleration Program remains a key budget call for SACOME.
- In South Australia, gas generation comprises approximately half of all electricity generation, with this generation being reliant upon a secure, economic supply of gas to ensure affordable production of electricity.
- SACOME notes the Chief Scientist, Professor Alan Finkel's remarks in his February 2020 National Press Club address where he acknowledges the critical role that gas has to play in the Australian energy market as a comparatively low emissions fuel source with the ability to react rapidly to changes in output from wind and solar.²
- Gas is key to enabling the orderly integration of renewable generation and 'future fuels' like hydrogen over the coming decades. SACOME reiterates that ensuring an affordable, diversified, reliable supply of gas is critical to meeting the State's energy demands and development of new gas reserves should continue to be a public policy priority.
- SACOME notes that the Australian Energy Market Operator (AEMO) has forecast gas shortages in the southern states could arise as soon as 2024; and SACOME's Commercial and Industrial (C&I) members continue to flag the high cost of gas as an operational concern.
- South Australian gas exploration incentive programs in 2016 and 2017 resulted in the discovery of ~50TJpd of new gas, with 10TJpd of this for local use and 40TJpd for export.
- These programs successfully incentivised activity to bring new gas supplies into the South Australian domestic market, incorporating a domestic reservation policy as a means of ensuring supply for local use.
- SACOME calls for the establishment of a Gas Acceleration Program to advance meritorious gas projects in South Australia and bring forward locally produced natural gas for local electricity generators and industry customers at a reasonable cost.
- In making this call, SACOME also supports the upgrade pipeline infrastructure to facilitate the efficient transport of new gas reserves to end users.

² <https://www.chiefscientist.gov.au/news-and-media/national-press-club-address-orderly-transition-electric-planet>

2.3 South Australian Critical Minerals Strategy

Commitment sought:

SACOME calls for the development of a South Australian Critical Minerals Strategy aligned with the Federal Government's National Resources Statement, National Critical Minerals Strategy and the Critical Minerals Facilitation Office.

- In line with our 2019-20 Pre-Budget submission, SACOME recognises that critical minerals are becoming increasingly economically and strategically important. SACOME calls upon the State Government to expedite the development of a critical commodities strategy that will aid development of critical minerals projects; and capture the value from the extraction of these minerals to manufacture higher value goods.
- South Australia hosts 80% of Australia's battery grade graphite resources and has large quantities of lithium and cobalt. South Australia is also highly prospective for manganese and nickel. Critical minerals are high-value, strategically important commodities with graphite flake fetching \$US800 to \$US1800 per tonne, and spherical graphite fetching double this price.
- The Federal Government recently announced the opening of Australia's new Critical Minerals Facilitation Office as a central coordination point for growing Australia's critical minerals sector.
- The December edition of the Resources and Energy quarterly, published by the Office of the Chief Economist, highlighted that tech-era commodities such as lithium are set to earn Australia \$1.6 billion in export earnings in 2020-21, with the potential for even greater returns over the next decade. Critical minerals also underpin the electric vehicle, renewable technology, defence and space industries prioritised for development by the State Government.
- The confluence of South Australia's abundant critical mineral wealth and national impetus for development of critical mineral projects provides an opportunity to move existing projects to production and encourage greater levels of exploration for new resource.
- SACOME calls for development of a South Australian Critical Minerals Strategy to drive production of critical minerals and upstream processing opportunities in this State.

2.4 State Industrial Water Strategy

Commitment sought:

SACOME calls for the development of a State Industrial Water Strategy to consolidate understanding and provide solutions to meet the water requirements of South Australian resources projects.

- Water is a key challenge for mineral resources projects in South Australia. Given the importance of water as an input, serious consideration must be given to its availability as a prerequisite for achieving growth targets.
- It is also important to emphasise that water is a contested resource given its importance to many industry sectors, local communities and the environment.
- SACOME members have suggested development of a South Australian 'industrial water strategy' to provide a consolidated understanding of the amount of water required for use across the economic sectors identified as contributors to the 3% growth target; and to provide direction on provision of this water for industrial use across relevant economic sectors.
- The industrial water strategy could also draw on the expertise of bodies like Infrastructure SA to progress development of desalination and pipeline infrastructure to projects/provinces capable of progressing economic growth targets. The strategy might also include a water storage and drainage component so that rainwater can be captured for use.
- SACOME also notes the importance of water to hydrogen production and suggests that an industrial water strategy should also consider requirements for the development of a South Australian hydrogen industry.

2.5 Accelerated Discovery Initiative & Critical Minerals ADI

Commitment sought:

SACOME calls for ongoing funding of the Accelerated Discovery Initiative (ADI); and expansion of the ADI for targeted exploration of critical minerals.

- SACOME welcomed funding for the ADI in the 2019-20 State Budget as an important initiative to support mineral exploration, geophysical programs, groundwater identification and testing, logistics associated with new exploration activity in greenfield areas; research collaboration and technology development; and innovative Proof of Concept proposals.
- The ADI is an important contributor to *Growth State* objectives given exploration activity is fundamental to growing the State's mineral wealth.



- SACOME notes that during the September quarter 2019, private mineral exploration expenditure fell by 14%. While trend data provided by the Department of Treasury & Finance indicates that private mineral exploration expenditure is 1.5% higher than at the same time in 2018, this growth rate is well below the national growth rate of 21% for the same period.
- SACOME submits that ongoing funding of the ADI is consistent with the economic growth outcomes sought by the South Australian Government. While more recent economic data may indicate an increase in private mineral exploration expenditure due to the operation of the ADI, maintaining funding for the program should be paramount as a means of maintaining these expenditure trends.
- SACOME also suggests expanding the ADI to fund a targeted critical minerals component, noting the increasing importance of critical minerals to the manufacturing supply chain, opportunities presented by the national Critical Minerals Strategy and the potential to further diversify the State's mineral production.

3. Infrastructure

SACOME's infrastructure calls address the maintenance requirements for transport routes across the State's key resources provinces; and the need for regulatory structures to catalyse investment in the infrastructure necessary for development of the next tranche of South Australian resources projects.

Consideration should also be given to transport routes that link South Australia to other states. These are critical for movement of commodities like uranium for export from South Australia and provide incentive for service industries to invest in supporting South Australian resources projects in South Australia instead Western Australia, Queensland or New South Wales.

SACOME proposes the State Government scopes the 'minimum investment' it can make to catalyse infrastructure development. In developing infrastructure for South Australian resources projects, SACOME strongly supports doing so in a manner that also provides benefit to other industry sectors and local communities wherever feasible.

3.1 Regional & Remote Road Maintenance

Commitment sought:

SACOME calls on the State Government to prioritise maintenance funding for regional and remote roads critical to the operation of South Australian minerals and petroleum projects.

- South Australia has a road network comprising some 10,000km of road. Maintenance of these roads, and particularly regional roads with economic significance to the State, is not undertaken in a strategic manner that reflects their importance.
- SACOME has been advised by member companies that maintenance of existing resources infrastructure should be prioritised for their continued efficient operation.
- While this is a safety and efficiency issue for mineral and petroleum operators and their service industries, it also impacts pastoralists and tourists also using these roads.
- The following table sets out priority road maintenance projects for listed SACOME member companies as of January 2020. This information has been communicated to the Department of Planning, Transport & Infrastructure (DPTI) for funding consideration in the 2020-21 South Australian State Budget.

Company	Road Maintenance Priorities
BHP: Olympic Dam	Port Augusta Highway – between Lakeview and Lochiel – undulating surface.

	<p>Port Augusta Highway - between MM peg 141-146 (near Red Hill) - rough/wavy road.</p> <p>Stuart Highway - between MM peg 754–774 - rough/wavy road</p> <p>Stuart Highway - between Pimba and Wirrappa siding – undulating surface.</p> <p>Olympic way between Purple Downs turnoff and Woomera – undulating surface.</p> <p>Olympic Way – between MM peg 54-58 – bad ruts and grid dropping</p> <p>Stuart Highway – Carriewerloo turnoff – grid is not even with road height sharp bump.</p> <p>Port Augusta Highway "T junction of Madland Road and Old Tarcoola – potholes.</p> <p>Port Augusta Highway – Rail crossing at Bute turn off, south of Snowtown – very rough.</p> <p>Borefield Road – First 50kms from Olympic Dam – large rocks corrugations, bulldust.</p>
OZ Minerals: Prominent Hill	<p>Road trains travelling on the Stuart Highway (A87) have identified two minor issues:</p> <ol style="list-style-type: none"> 1. South of Glendambo (Coondambo - at the point of the rail overpass); both sides of the overpass are partially sunken; and 2. North of Pimba (12km Nth side of Pimba - on top of the plateau); cattle grid at this point and the highway 2-3km either side is undulating and rough. <p>Pastoralists and outback road users have identified two minor issues:</p> <ol style="list-style-type: none"> 1. Coober Pedy to William Creek Road is currently heavily corrugated and in need of maintenance; and 2. Old Stuart Highway accessing Ingomar homestead (via Wirrida Access Road); the road is generally in poor condition and the pastoralists battle to keep it open. <p>OZ Mineral's key logistics partner (Toll Group) have raised an existing issue that when heading north (ADL-PXH) they must run double road trains to Port Augusta where they then assemble the triple road train for Prominent Hill. This is required due to the current infrastructure</p>

	<p>between Adelaide and Port Augusta not being adequate to support triple road trains.</p> <p>Toll also identified that, during this year's peak tourist season, all truck stops and parking bays were typically full when journeying along the Stuart Highway. This makes finding suitable rest stops difficult during this time.</p>
Heathgate Resources	<p>The Yunta Track is a key transport route for movement of product by Heathgate Resources who are the second largest producer and exporter of uranium in Australia.</p> <p>Heathgate Resources continue to emphasise the importance of additional maintenance funding for the Yunta Track as a matter of priority.</p>
Santos/Beach Energy/Senex: Cooper Basin	<p>Santos, Beach Energy and Senex have identified the Della/Gidgealpea Station/Cordillo Downs/Dillions/ and Strzelecki Track from Merty to Moomba as maintenance priorities in the Cooper Basin.</p>
Boss Resources: Honeymoon	<p>Mulyungarie Road (Honeymoon access road) near Broken Hill remains in very poor condition and requires urgent attention. The road is used for transport of chemical reagents and uranium and is inaccessible in wet weather. Safety is a paramount concern given the type of commodities being transported. Advice from Boss Resources is that the road is worsening every year with minor remedial grading being undertaken on an adhoc basis.</p> <p>Boss Resources have raised concerns about the condition/maintenance on several occasions with government, principally during their bi-annual reporting to the SA Government. Direct contact with DPTI about the road has resulted in little progress.</p> <p>Other users of the road include Consolidate Mining & Civil (CMC) and Havilah Resources who have reported this matter in the past; as well as numerous pastoralists who also use the road.</p>

3.2 Resources Infrastructure Corridors

Commitment sought:

SACOME calls on the State Government to establish "Resources Infrastructure Corridors" to create a regulatory structure that incentivises investment.

- SACOME reiterates its calls made in submissions to the *Infrastructure SA 20 Year State Infrastructure Strategy* and the *Sustainably Growing Energy & Mining in SA* consultation process for the State Government to implement regulatory settings that act as a key infrastructure investment attraction tool to facilitate faster project development times through demarcating infrastructure project paths to major South Australian resources provinces.
- SACOME calls for the development of 'Resources Infrastructure Corridors' to facilitate infrastructure investment by holistically resolving land access, approvals and logistics issues; and to operate as a jurisdictional advantage by providing operators with a de-risked and expedited path to project development.
- Once implemented, these regulatory corridors can provide the State with a competitive advantage by reducing the time and cost associated with developing resources projects in South Australia.

3.3 Statutory Corporation – Infrastructure Development

SACOME calls on the State Government to fund a business case into the establishment of a statutory corporation that develops enabling infrastructure that resources sector companies can access on a "take or pay" basis.

- The value and size of potential resources projects requires a collaborative effort to develop the shared infrastructure necessary to create the economies of scale to offset the expense of these projects.
- The South Australian Government has looked to the private sector to resolve the detail of that collaboration; however, this approach has not produced significant outcomes given competitive tensions that often exist between operators.
- SACOME submits that the South Australian Government play the role of first mover, by establishing a statutory corporation that develops common user infrastructure with 'take or pay' access conditions, and by doing so break the investment deadlock that has slowed the development of the State's resources provinces.

3.4 Infrastructure Underwriting Facility

SACOME calls on the State Government to consider establishing an Infrastructure Underwriting Facility as a tool for facilitating development of South Australian resources projects.

- SACOME member companies have proposed that the State Government establish an Infrastructure Underwriting Facility as a means of attracting investment in critical infrastructure necessary for development of South Australian resources projects.
- Recognising that the high cost of infrastructure continues to function as a drag on project development, a government underwriting arrangement has been suggested as a practical measure to balance risk and incentivise investment, particularly in cases where such infrastructure will have common use.
- Member companies have cited the example of back to back guarantees provided to head contractors to build what is effectively common use infrastructure and the need to carry this expense on their balance sheet throughout the construction process.
- A government entity providing a guarantee arrangement for critical assets is suggested as a mechanism to free up company balance sheets for other investment opportunities, particularly for recently privatised or state-dependent entities.

3.5 Upgrade of Port Augusta to Whyalla Route – Single to Dual Carriageway

SACOME calls for funding to upgrade the Port Augusta to Whyalla route from single to dual carriageway.

- Upgrade from single to dual carriageway for Port Augusta to Whyalla route (Lincoln and Eyre Highways) would significantly improve the safety of what is a notorious, mostly single carriageway stretch of road with limited passing lanes.
- This is a key route for transport of commodities to and from Whyalla, making upgrade of the road a priority for resources operators in the region and for the wider Upper Spencer Gulf community.
- Funding to ensure the efficient and safe transport of product along this route should be prioritised, especially as production at the Whyalla steelworks and the Carapateena mine increases over the coming years and increasing volumes of goods transit through Whyalla.

3.6 Advanced Manufacturing Hub

SACOME calls on the State Government to fund a business case for development of an Advanced Manufacturing Hub supporting resources sector activity.

- In line with the Marshall Government's *Growth State* agenda, SACOME calls for development of Advanced Manufacturing Hubs co-located in major South Australian industrial centres to support mining and energy activity and drive economic growth.
- The development of Advanced Manufacturing Hubs in suitable areas of the State presents an opportunity to concentrate value-adding activity, minimise the duplication of infrastructure and create a user-base with enough critical mass to justify development/expansion of multi-modal export infrastructure.
- Development of Regional Advanced Manufacturing capability in the Upper Spencer Gulf region, for example, also provides opportunities to leverage outcomes through a confluence of proximity to major resources projects, existing heavy industrial activity, access to key transport, freight and utilities infrastructure, and co-location of service industries.
- SACOME understands that existing proposals for Advanced Manufacturing Hubs supporting the resources sector focus on construction of modular plant and equipment such as processing plant frameworks and prefabricated buildings with the aim of driving efficiency across project supply chains through more activity occurring in the factory and less in the field.
- SACOME submits that a resources hub should utilise Industry 4.0 smart factory technologies to ensure long term market competitiveness; and should be integrated within the broader 'hub network' through linkage with the Tonsley Innovation District, Lot 14 and South Australian universities. These linkages will better allow the resources hub to adopt industrial innovation and maximise opportunities arising from industrial strategies like the South Australian Hydrogen Action Plan.
- SACOME calls for funding to support business case development that assesses demand and supply side considerations relevant to the Advanced Manufacturing Hub concept; and the economic benefit to the State through increased employment, economic output and diversification of activity.

4. Energy

Energy is an area of vital policy importance to the resources sector and SACOME member companies.

While the need for affordable, reliable energy is common to all users, the energy needs of the resources sector are distinct given:

- the importance of energy prices as a component of business viability;
- the scale of resources operations;
- the quantity of energy required to power them;
- the consequences of an interruption to supply;
- the importance of energy as a pre-requisite to project development; and
- the scale and cost of energy infrastructure investment required for project development.

South Australia has been at the frontline of energy change and, along with the rest of the country, continues to experience some of the highest electricity and gas prices in the world.

While South Australian electricity prices have decreased in recent time, it is important to emphasise that these prices are viewed in a global context and comparatively high prices will continue to operate as a drag on investment attraction.

4.1 Battery Circular Economy and PV Solar Panel Recycling

Commitment sought:

SACOME calls on the State Government to promote development of the Battery Circular Economy and investigate establishing a state program to recycle PV solar panels.

Battery Circular Economy

- Australia currently has low battery recycling rates. 95% of cobalt, lithium and graphite in batteries can be reused.
- This provides South Australia with the opportunity to establish an economy in the re-use and recycling of batteries.
- SACOME submits the value to South Australia can be three-fold. South Australia could draw additional value from existing materials, minimise impact on the environment and establish a new industry in re-use and recycling.

Photo-Voltaic Solar Panel Recycling

- In 2018 Commonwealth, State and Territory Environment Minister's agreed to fast-track new recycling schemes to manage solar panels across their entire life cycle.
- SACOME calls on the State Government to investigate establishing a scheme that provides South Australian households and small businesses with access to free industry-funded collection and recycling services for solar panels.
- Such a scheme could reduce waste to landfill, especially hazardous materials found in e-waste; increase recovery of reusable materials in a safe, scientific and environmentally sound manner; and provide access for households and small businesses across Australia to an industry-funded recycling service. SACOME submits that this could create a new industry and further employment opportunities within the recycling sector.

4.2 South Australian Nuclear Forum

Commitment sought:

SACOME calls on the State Government to fund a nuclear energy forum to progress discussions on opportunities arising from development of a South Australian nuclear industry.

- South Australia is a world class uranium province, host to 25% of the world's uranium resources and 80% of Australia's uranium. Olympic Dam is the single largest known uranium deposit in the world and the fourth largest copper mine. Uranium is a key economic contributor to the South Australian economy, bringing in \$118 million in royalties over the last 10 years over which time \$346 million dollars of uranium has been produced and exported.
- Nuclear energy offers a zero-emissions energy source with the ability to provide safe, reliable baseload power but is routinely excluded as both an emissions reduction and energy solution.
- SACOME submits that a forum to continue discussions about the economic and energy security/reliability opportunities offered by uranium and nuclear is consistent with the South Australian Government's *Growth Agenda* objectives.

5. Legislation and Regulation

SACOME calls upon the South Australian Government to implement regulatory reform that will reduce time and cost pressures for the resources sector and better promote resources sector investment in South Australia.

SACOME supports the development of regulations that reflect best practice; reduce red tape; and result in clear and transparent regulatory frameworks that meet stakeholder requirements. Streamlining of regulatory processes should be pursued as a matter of principle, especially where can provide an investment attraction advantage to the State.

Land Access remains a priority issue for the resources sector and the recent passage of the *Statutes Amendment (Mineral Resources) Act 2019* provides a timely opportunity to modernise land access guidance for resources operators, landowners and Traditional Owners.

5.1 State-wide Land Access Framework

Commitment sought:

SACOME calls for development of updated State-wide Land Access Guidance.

- Land access is fundamental to the viability of the resources sector. For minerals and gas operators to continue to explore, develop and produce they require access to land.
- Junior explorers continue to communicate the importance of this issue given the time and cost attached to securing land access as a component of their overall activity
- The resources sector acknowledges and welcomes the importance of community and stakeholder engagement during project development; not only as a requirement under the regulatory approvals process but also as part of being an active community member and neighbour.
- Resources sector operators tend to have individual solutions to land access disputes and there are many positive examples of land access and community engagement.
- These positive examples provide an opportunity for State Government to consolidate and develop a state framework for land access and SACOME is committed to working collaboratively with DEM to progress this initiative.

6. Future Workforce

The South Australian resources sector faces both challenges and opportunities as it undergoes significant change with the impact of technological advancements on operating practices.

While these technological advancements are providing the resources sector with gains in efficiency and safety, there is also increasing need to transition away from a traditional labour-intensive workforce toward a more highly educated, professional and technologically literate workforce.

Admissions to mining and petroleum engineering courses at our world-leading South Australian universities have been in decline and a skills gap is emerging. SACOME member companies have advised they have experienced difficulties in attracting students and graduates to the resources sector due to poor understanding of the sector and employment opportunities therein.

The resources sector will also be as relevant to the 'hi-tech revolution' as it was to the industrial revolution, both in supplying key commodities for use in the space, defence and medical industries; and in using hi-tech equipment like satellites, robotics, 'big data' and advanced communications for operation of remote projects. As such, the resources sector is a key participant in discussions about future industries and the workforces necessary to support them.

Community perception of the resources sector is directly relevant to workforce attraction. Despite the South Australian resources sector underpinning the State's economy and delivering ~50 per cent of the State's exports, recent polling commissioned by SACOME shows that a majority of South Australian's know very little or nothing about the sector. This lack of knowledge perpetuates outdated stereotypes of the industry as dirty and dangerous and stands in stark contrast to the operational reality of the sector as multidisciplinary, environmentally responsible, technologically advanced and regularly at the forefront of innovation.

Greater understanding of the sector and its economic contribution to the State will assist in educating South Australians about the reality of the resources sector and the diverse employment opportunities therein.

SACOME calls on the State Government, resources operators and educational institutions to engage in collaborative mapping of future workforce requirements for resources projects in South Australia.

6.1 Resources Sector Future Workforce Mapping

Commitment sought:

SACOME calls for funding to DEM, DIS, the Department for Education, industry and other relevant entities for collaborative mapping of future skillsets required by the resources to better align education and training outcomes with future workforce requirements.

- The resources sector's transition from a traditional labour-intensive workforce towards a professional workforce needs greater collaboration between government, industry and educational institutions to understand, manage and develop educational outcomes that will facilitate future workforce requirements.
- SACOME submits that current attraction strategies will need to be revised to meet near and long-term needs and anticipating future workforce requirements will be important in realising *Growth State* objectives.
- SACOME has been proactive in this space, partnering with the Playford Trust and the South Australian Government to fund scholarships for students enrolling in mining and petroleum engineering at the University of Adelaide over the next five years.
- While this is a welcome start, ongoing effort must be made to coordinate workforce needs for the South Australian resources sector. SACOME submits that collaborative effort by government departments, educational institutions and industry to define the current challenges and set clear future direction would lay foundations for a strategic approach to addressing the respective needs of stakeholders.