

SACOME Welcomes Commonwealth Government's Resources Sector Budget Announcements

The South Australian Chamber of Mines and Energy (SACOME) welcomes the Commonwealth Government's 2020-21 Budget funding announcements in relation to the sealing of critical areas of the Strzelecki Track, the establishment of the National Radioactive Waste Management Facility, the streamlining of assessments made under the *Environment Protection and Biodiversity Conservation Act* (EPBC Act) and investments in next generation energy technologies, modern manufacturing and national water infrastructure.

Strzelecki Track

SACOME has consistently advocated for sealing of the Strzelecki Track which is a vital supply link for South Australia's major oil and gas producers operating in the Cooper Basin.

This \$100 million funding commitment is an important next step in improving a critical transport route for the South Australian resources sector and follows the South Australian State Government's \$10 million commitment to seal the first 50km of the Track north of Lyndhurst.

Rebecca Knol, Chief Executive Officer (CEO) said "The works announced for the Strzelecki Track represent a timely investment in one of South Australia's economically important transport routes. It is encouraging to see regional projects that can make a significant economic contribution to the State appropriately valued and prioritised by the Commonwealth Government."

National Radioactive Waste Management Facility

SACOME has been a strong supporter of the establishment of both the National Radioactive Waste Management Facility (NRWMF) and the Australian Radioactive Waste Agency (ARWA).

The \$103.6 million funding commitment will lay the groundwork for construction of the NRWMF and to establish the ARWA as the agency responsible for all the functions of the NRWMF, including engagement with the Kimba community in South Australia.

Rebecca Knol, CEO said "The ARWA and NRWMF will result in 80 highly skilled jobs for the South Australian economy. This funding commitment is another important step in advancing Australia's radioactive waste management storage capabilities."

Environment Protection and Biodiversity Conservation Act (EPBC Act)

SACOME has long called for greater alignment of Commonwealth and State environmental processes.

SACOME welcomes the \$36.6 million in funding to streamline assessments made under the EPBC Act, including \$10.6 million to progress negotiations with the states to reduce duplication in approvals.

Rebecca Knol, CEO said "The streamlining of the EPBC Act presents a significant opportunity to reduce operating costs and red-tape for industry while supporting industry investment and expediting projects."

"This additional funding to support the progress of EPBC Act reforms and ensure timely approvals is most welcome."

'Next Generation Energy Technologies Investment Package'

SACOME welcomes the Commonwealth Government's 'Next Generation Energy Technologies Investment Package' and is supportive of Carbon Capture Use and Storage (CCUS) Hubs and Hydrogen Export Hubs being based in South Australia.

The potential economic growth and employment opportunities through the development of a CCUS and hydrogen export industry are significant, with South Australia being well positioned to fast-track both initiatives.

Rebecca Knol, CEO said "The development of CCUS and hydrogen hubs has significant potential to lower business costs and emissions, create new industries for the State, as well as positioning South Australia front and centre for the jobs of tomorrow."

Modern Manufacturing Strategy

SACOME welcomes this \$1.5 billion investment which prioritises co-investment in manufacturing projects in resources technology and critical minerals processing.

SACOME has advocated that the development of industrial hubs in suitable areas of the South Australia presents an opportunity to concentrate value-adding, minimise the duplication of critical minerals and infrastructure and create a user-base with enough critical mass to justify development/expansion of multi-modal export infrastructure.

Rebecca Knol, CEO said "SACOME recognises the Commonwealth Government's efforts to boost advanced manufacturing jobs. In South Australia one opportunity the commercialisation of hydrogen, for example, presents is for the production of 'green steel' in the Upper Spencer Gulf."

National Water Infrastructure Development Fund

SACOME welcomes the Commonwealth Government's announcement of \$2 billion in new funding for the National Water Infrastructure Development Fund, bringing the total funding pool to \$3.5 billion.

SACOME, in partnership with its member companies BHP and OZ Minerals and the South Australian Government is in the early stages of scoping the Northern Water Supply Project, with the objective of providing a water solution for the Far North of South Australia.

Investment in shared water infrastructure via a high capacity pipeline and associated desalination plant in the Northern Spencer Gulf strongly aligns with the objectives of the National Water Infrastructure Development Fund and would provide foundational infrastructure for future investment in the Gawler Craton, contribute to improved environmental outcomes, and provide multiple stakeholder benefit across a range of industry sectors including the agricultural sector.

Rebecca Knol, CEO said "Additional funding for the National Water Infrastructure Development Fund enlivens the significant state economic development, environmental and community benefits that could be created through the Northern Water Supply Project."

Commonwealth Budget Overview

Rebecca Knol, CEO said "The Commonwealth Budget funding announcements recognise the importance of the South Australian resources sector in underpinning the South Australian economy during the disruption of the coronavirus pandemic, providing much-needed job stability.

SACOME welcomes Commonwealth investment in infrastructure, water, advanced manufacturing, red-tape reduction and the National Radioactive Waste Facility, recognising that they align closely with many of SACOME's Budget calls across current and previous years.

SACOME anticipates similar support for the resources sector in the upcoming South Australian State Budget and has delivered a revised Pre-Budget submission to the State Government with 14 initiatives to increase employment, stimulate economic activity and to leverage longer-term economic development goals for the resources sector and the State.

The South Australian resources sector employs 26,000 people directly and indirectly, delivers \$6.4 billion in production, \$5.3 billion in exports and \$299 million in royalties to South Australians,

making our sector well placed to assist both Commonwealth and State Governments in implementing critical and timely economic outcomes.”

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About SACOME

The South Australian Chamber of Mines and Energy is the peak industry association representing companies with interests and connections to the South Australian resources and energy sector.