

SACOME Welcomes Resources Sector Announcement in 2022-23 Federal Budget

The South Australian Chamber of Mines & Energy (SACOME) welcomes announcements in the 2022-23 Federal Budget that provide ongoing support for the State's resources sector.

The 2022-23 Federal Budget highlights the continued importance of the resources sector to Australia's economy.

These announcements prioritise critical road infrastructure, support mineral and petroleum development, tackle policy reform and support investment in clean energy initiatives.

Environmental Protection Biodiversity and Conservation Act (EPBC Act) Reform Package

The Environment Protection Biodiversity & Conservation Act 1999 (EPBC Act) provides a framework for the protection of environment and biodiversity including natural and culturally significant places.

SACOME welcomes the Commonwealth Government's [\\$128.5 million](#) in funding to provide greater certainty around environmental protection, strengthen compliance and streamline assessment and decision-making processes, through the integration of State & Commonwealth processes.

Rebecca Knol, CEO, said "The Federal Government's funding commitment to modernise the EPBC Act should result in quicker project approvals for the resources industry and better environmental outcomes for the community."

Budget Boost for South Australian Infrastructure

South Australia has a road network comprising some 10,000km of roads. Upgrade and maintenance of these roads is important for the efficient and safe transportation of mineral and petroleum products.

SACOME welcomes the Commonwealth Governments continued investment in South Australian infrastructure. The recent [\\$2.8 billion funding boost](#) will support the State's economy and improve supply chain connections and resilience. Noting \$2.3 billion allocation to the North-South Corridor and \$52.69 million for safety upgrades to regional roads including Eyre & Stuart Highways.

Rebecca Knol, CEO, said "SACOME's [Economic Contribution Study](#) highlighted that 12 SACOME member companies contributed \$5.9 billion to the South Australian economy in 2019-20. This is the equivalent to 5.3% of South Australia's Gross State Product (GSP), or \$1 in every \$20 in the South Australia economy."

"This economic contribution is dependent upon well-maintained transport routes to facilitate the movement of people and commodities."

Northern South Australian Productive Water Security Project

The [Northern Water Project](#) aims to resolve a long-standing roadblock to the State's economic development through the construction of a new desalination plant and a high-capacity pipeline to provide a sustainable water to the Gawler Craton, a globally significant mineral province.

The \$5 million Commonwealth funding commitment compliments the \$10 million State Government allocation to complete the business case for this nationally significant project.

Rebecca Knol, CEO, said "Providing a secure and efficient water supply is key to unlocking economic potential in the Far North of the State. Commonwealth recognition and funding of this strategically important project is welcomed."

National Gas Infrastructure Plan

The Commonwealth Governments gas-fired recovery initiative aims to ensure Australia has adequate supply and storage to avoid expected shortfalls in production that could emerge by 2024.

Under the Future Gas Infrastructure Investment Framework released last year, an [additional \\$50.3 million will be invested](#) in seven priority projects, as well as key carbon capture and storage infrastructure.

Relevant to South Australia, is funding for feasibility studies for CO₂-carrying pipelines from major gas and industrial hubs to prospective sites for carbon capture and storage including in the Upper Spencer Gulf region and the Cooper basin.

Rebecca Knol, CEO, said "The development of commercial carbon capture and storage facilities will provide a viable pathway to reduce emissions and will help position Australia as a leading energy exporter and manufacturer of energy-intensive materials."

Critical Minerals and Modern Manufacturing Initiative

The Federal Governments [Resources Technology and Critical Minerals Processing Roadmap](#) was designed to leverage mining and processing of Australia's significant reserves of critical minerals to build resilience and reduce our reliance on overseas supply chains.

SACOME is supportive of the Commonwealth Governments \$243 million boost for manufacturing of rare earths and battery projects in Western Australia, the Northern Territory and Queensland. The critical minerals projects will form part of the federal government's \$1.3 billion modern manufacturing initiative. SACOME notes Commonwealth support for Renascor's Siviour Graphite Project.

Rebecca Knol, CEO, said "South Australia hosts 80% of Australia's battery grade graphite resources and has large quantities of lithium and cobalt in addition to manganese and nickel. However, South Australia requires a Critical Minerals Strategy to align opportunities in order to capitalise on Commonwealth investment."

Future Workforce & Skills

Workforce and skills shortages present an imminent economy-wide challenge made more acute by the global pandemic and restricted international movement. Economic growth in South Australia cannot occur without an appropriately skilled workforce that anticipates both immediate and future requirements.

SACOME welcomes the Commonwealth allocation of \$1.3 billion over 5 years from 2021-22 to support employers to engage and retain new apprentices and reform the Australian Apprenticeships system to sustain a skilled and responsive workforce.

Rebecca Knol, CEO said "A suitably skilled workforce is critical to growth of the resources sector and the broader South Australian economy."

Federal Budget Overview

SACOME welcomes Commonwealth investment in infrastructure, red-tape reduction, decarbonisation initiatives, workforce and critical mineral processing to grow Australia's resource sector.

SACOME anticipates similar support in the upcoming South Australian State Budget following SACOME's articulation of [pre-election priorities](#) that focus on impactful, strategic and long-term outcomes that remove impediments to growth, address structural challenges and improve regulatory outcomes.

Rebecca Knol, CEO, said "Resource sector operations may be regionally located but have a whole of state impact, meaning government investment in regional South Australia creates demonstrable benefit to the whole of the State economy."

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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.

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