



2025-2026 Pre-Budget Priorities

Submission to the Hon. Stephen Mullighan MP
Treasurer of South Australia

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South Australian Chamber of Mines & Energy

The leading industry Association representing the resource and energy sector in South Australia.

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1. Introduction

The South Australian Chamber of Mines and Energy (SACOME) is the leading industry association representing the resources and energy sector; the powerhouse of the State's economy.

SACOME's 2025-26 Pre-Budget submission continues a program of advocacy aimed at resolving long-standing barriers to development of the South Australian resources sector, while also advancing new initiatives that reflect emerging issues of importance.

The Budget calls set out in this submission are informed by close consultation with SACOME's membership and reflect the priorities member companies have raised and the outcomes that SACOME seeks to advance on their behalf.

SACOME acknowledges the Malinauskas Government's suite of policy measures including the *State Prosperity Project*, *Hydrogen Jobs Plan*, *Green Iron & Steel Strategy* and *Northern Water Project*, recognising the ambitious scope and transformative nature of these initiatives.

Ongoing collaboration between industry and government will be critical to realising the shared objectives set by these policy measures through such actions as:

- Continued investment in critical industry-enabling infrastructure;
- Development and maturation of the State's nascent green industries, including hydrogen and renewable energy production in the Upper Spencer Gulf;
- Development of a world-class copper province in the Far North;
- The manufacturing of low carbon iron and steel in the Upper Spencer Gulf;
- Positioning South Australia as a supplier of critical minerals at a time of growing demand; and
- Ensuring the orderly transformation and decarbonisation of the resources sector in a rapidly changing energy system;
- Investment in STEM education and digital infrastructure to enable a future workforce.

This Pre-Budget submission builds upon SACOME's [2024 Policy Priorities](#) document released in early 2024, and we reiterate the importance of consistent, concerted effort to realising growth of the resources sector and transformation of the State's economy consistent with the shared vision SACOME's member companies and the South Australian Government.

SACOME restates the findings of its [Economic Contribution Study](#) which analysed the expenditure patterns of 15 major operating member companies throughout 2021/22 and quantified the resource sector's contribution to the South Australian economy.

The Study found that 15 member companies, comprising some of the most significant industrial entities in South Australia, **contributed \$10.7 billion in direct and indirect spending** to South Australia, **equivalent to 8.3% of Gross State Product, or one dollar in every twelve.**

These member companies are also responsible for the following economic contributions to the State:

- Directly employed 7,825 full-time jobs and supported the employment of 42,832 full-time jobs in total; or 1 in every 14 jobs are supported by the resources sector.
- Paid \$1 billion in wages and salaries to direct full-time employees, representing an average salary of \$133,672 per annum; significantly higher than the average South Australian salary of \$77,800 per annum.
- Direct spending amounted to \$5.3 billion, which included \$3.75 billion in purchases of goods and services from over 2,851 local businesses.
- Paid \$431 million to the State Government in royalties, stamp duty, payroll tax, and land tax.
- Provided \$14.7 million to 197 different community organisations, funding health, education, arts, sporting groups, and Indigenous communities.

SACOME and its member companies remain committed to working collaboratively with the Malinauskas Government in realising our shared ambitions for growth of the South Australian resources sector and the State's economy.

2. Summary of SACOME's Pre-Budget Calls

State Economic Development

Northern Water Project

- *SACOME reiterates its strong support for the Northern Water Project and calls for continued effort by the South Australian Government to bring it to development.*

Green Iron & Steel Industry Development

- *SACOME calls for South Australian Government to undertake a Green Iron & Steel Sector Supply Chain Study to inform the development of a South Australian Green Iron & Steel Industry.*

Carbon Capture & Storage Industry Development

- *SACOME calls on the South Australian Government to provide support for the construction of a pipeline from Port Bonython to Moomba to facilitate development of an international carbon storage and usage industry based in South Australia.*
- *SACOME calls for the South Australian Government to progress dialogue with the Federal Government for establishment of bi-lateral agreements that facilitate the international trade of carbon.*
- *SACOME calls for CCS technology to be afforded the same priority as other emissions reductions technologies in the State's pursuit of net-zero.*

Resources Sector Heatmap & Infrastructure Corridors

- *SACOME calls for the completion and implementation of the South Australian Resources Sector Economic Heatmap and Resources Infrastructure Corridors initiatives.*

Continued Investment in Precompetitive Geoscience Measures

- *SACOME calls for continued investment in precompetitive geoscience measures by the South Australian Government.*

Energy

Energy Transition White Paper

- *SACOME calls for release of the South Australian Government's Energy Transition White Paper as a priority action.*

Nuclear Readiness

- *SACOME calls upon the South Australian Government to allocate funding for upskilling of South Australian regulators to ensure jurisdictional readiness for implementation of nuclear energy.*

Infrastructure

Regional and Remote Road Maintenance

- *SACOME calls for continued investment in regional and remote road maintenance and increased funding to address the State's road maintenance backlog.*

South Australian Cyber Infrastructure Taskforce

- *SACOME calls for the South Australian Government to facilitate creation of a South Australian Cyber Infrastructure Taskforce to coordinate strategic investment in cyber infrastructure.*

Education & Skills

STEM Digital Technology Education Program

- *SACOME calls for the South Australian Government to fund the implementation of the STEM Digital Technology Education Program in 50 South Australian State schools at a cost of \$1.2 million over 5 years.*

State Workforce Plan

- *SACOME reiterates its calls for continued departmental resourcing to undertake development of a State Workforce Plan.*

3. State Economic Development

3.1 Northern Water Project

SACOME reiterates its strong support for the Northern Water Project and calls for continued effort by the South Australian Government to bring it to development.

The Northern Water Project remains a critical enabler to growth of the South Australian resources sector and the South Australian Government's hydrogen and green industry transition goals.

Completion of the Northern Water Project achieves the supply of water as an input to industrial process in the Far North, facilitates further development of the Gawler Craton, plays a critical role in production of copper in the Far North, green iron/steel and hydrogen in the Upper Spencer Gulf and provides a new source of water for the Eastern Eyre Peninsula.

SACOME has worked collaboratively with the South Australian Government and its member companies to progress the Northern Water Project since its inception in 2020. SACOME reiterates its support for this project as a truly transformative economic development measure in the strongest terms.

SACOME welcomes the strong support shown by the Commonwealth and State Governments, including the \$100 million in equity contribution that formed part of the 2023-24 State Budget; and the \$65 million in funding from the Commonwealth in the 2025-26 Federal Budget as part of the Future Made in Australia initiative.

SACOME also welcomes establishment of the Office for Northern Water Delivery by the South Australian Government as this initiative moves into the detailed planning, approvals and agreement-making phase preparatory to Final Investment Decision.

We express concerns, however, at the recent departure of the Office for Northern Water's Acting CEO and the decision to split responsibility for management of the Project between the Office for Northern Water and the Department for Infrastructure & Transport at a time where maintaining momentum is critical.

Given its scale and its central role in enabling hydrogen and green industry development, delays associated with delivery of the Northern Water Project risk undermining the Malinauskas Government's ambitious 'green industry' policy agenda and the extensive efforts of industry to support the Northern Water Project, and respond to the government's industry attraction calls.

SACOME notes that the final decision to proceed with construction of the Northern Water Project will rely on gaining required project approvals and agreements, encompassing extended consultation with traditional owners, landholders, and the community; comprehensive evaluation of environmental, engineering, and economic aspects of the project; and commercial negotiation for project delivery and water purchase.

An additional aim of the Northern Water Project is to reduce reliance on the Great Artesian Basin as a water source. Completion of the Northern Water Project offers an opportunity to consolidate environmental gains through creation of an underground Great Artesian Basin National Park. While this concept is still at a formative stage, SACOME welcomes the opportunity for further discussion with government to progress this idea.

Ensuring progress of the Northern Water Project to completion remains a key priority for SACOME.

3.2 Green Iron & Steel Sector Supply Chain Study

SACOME calls for South Australian Government to undertake a Green Iron & Steel Sector Supply Chain Study to inform the development of a South Australian Green Iron & Steel Industry.

While the Green Iron & Steel Strategy and and Green Iron Opportunity Expression of Interest signal the Government's policy intent, industry development must be supported by whole-of-supply chain understanding.

The South Australian Government's Green Iron Opportunity Expression of Interest sets an ambitious 'green iron by 2030' target. It aims to build 'a pathway to develop a direct reduced iron plant and supporting value chain', with a focus on 'de-risking the environment for commercial green iron projects to emerge'.

SACOME submits that undertaking a Green Iron & Steel Sector Supply Chain Study is an important step in enabling industry development but cautions that industry development of this nature must be underpinned by properly informed planning.

Consistent with past Budget and policy priority calls, SACOME calls for requisite strategic planning to be undertaken in a way that allows for coordinated industry development by understanding where and how to best invest in enabling measures against a pre-determined timeline – notionally one that aligns with the South Australian Government's net-zero objectives.

While the Green Iron Opportunity Expression of Interest sets a vision, delivery on this vision must be informed by full understanding of where bottlenecks in the supply chain will be encountered and the measures required for their timely resolution.

SACOME has undertaken preliminary consultation with member companies to assist the South Australian Government in thinking through these challenges. A summary of feedback is provided as follows:

Feedstock

As a general statement of principle, development of a green iron and steel industry is predicated on supply of magnetite as a feedstock to direct reduced iron (DRI) and steel production.

While South Australia has approximately 7.4 billion tonnes of economically demonstrated iron ore, much of this is still at the pre-development stage.

Where production is occurring, this feedstock is being directed to existing functions, like GFG's steel production; or to export markets, as is the case for Peak Iron's product.

The South Australian Government has also usefully defined the State's main 'Iron Regions' in its Green Iron & Steel Strategy, further demonstrating where potential feedstock can be sourced.

In the case of highly prospective but undeveloped regions like the Braemar, significant capital investment is required to enable both individual project and broader province development.

Understanding the supply parameters of suitable feedstock for DRI production is critical to enabling DRI production which is itself a prerequisite for green steel production.

Rail Infrastructure

Transport of magnetite along the supply chain is fundamental to green iron and steel production.

Greater levels of iron ore production will see increased demand for rail usage and require investments in the rail network to allow its efficient movement to a DRI processing plant or to port.

SACOME members have advised that Green Iron and Steel industry development as contemplated by the South Australian Government's policy agenda will require upgrade of the Tarcoola to Whyalla rail line to avoid bottlenecks arising through greater levels of rail patronage.

Upgrade of Spencer Junction to incorporate a 'triangle' junction is recommended by operators as an efficient and cost-effective measure for handling higher movement volumes on the Tarcoola to Whyalla line.

SACOME members have further advised that supply chain movement outside the Tarcoola – Whyalla rail corridor is as important as the corridor itself and that a holistic approach that resolves issues for a single proponent (such as triangles or passing loops) must also be balanced against freight requirements at a regional/province level.

SACOME is advised that no consultation about future rail requirements for transport of magnetite, copper or DRI have been undertaken by either DEM or DTI in support of the Government's green industry development objectives to date.

Recognising the need for coordinated supply chain planning and investment, SACOME calls on the South Australian Government to fund and undertake a 'Green Iron & Steel Supply

Chain – Rail Feasibility Study’ for the purpose of mapping rail requirements based on increased production levels and ore movements, and in planning for investment in new rail infrastructure as new mines come online, and linking rail to new facilities like DRI plants to ensure efficiencies across the supply chain.

Beneficiation Plant Location

Determining the location of a beneficiation plant – or multiple beneficiation plants – is relevant to decisions about power, water and transport linkages.

Some operators have expressed a preference for locating a pre concentrate dry beneficiation plant either on their mine site or as close to their mine site as possible, reflecting the fact that onsite dry beneficiation will reduce the amount of product they need to transport to the next point in the supply chain. This has associated impacts on transportation costs associated with their projects and can alter project economics significantly.

Onsite dry beneficiation will require dedicated power transmission lines to the mine site, whereas wet beneficiation will require both dedicated power transmission and water supply to the mine site.

These are significant capital decisions for operators, investors and for government to address as part of the industry development process.

Operators have also considered the scenario whereby iron ore is shipped to a centrally located beneficiation plant in or near an Upper Spencer Gulf city like Whyalla or Port Pirie where access to beneficiation infrastructure is shared.

While this approach resolves power and water issues, it may create access, sequencing and delivery issues where the plant is shared across multiple operators given competing demands on the infrastructure versus the timeframes for supply of beneficiated ore to customers.

Operators have also flagged that where mines are located in the Woomera Prohibited Area (WPA), construction of a beneficiation plant on site will be complicated by the 10 year permit granted by the Department of Defence. This comparatively short timeframe complicates the process of securing capital necessary to fund construction of onsite plant and would be a further issue to resolve in the specific context of operation in the WPA.

Access to plant and ensuring efficient production are paramount considerations in a shared beneficiation plant scenario.

Power Requirements

Power requirements to support development of a Green Iron & Steel Industry must also be included as part of an industry development strategic planning exercise.

SACOME notes that renewable energy and hydrogen are intended to be the ultimate sources of industrial energy in line with positions set out in policies like the State Prosperity Project, Hydrogen Jobs Plan and Green Iron & Steel Strategy.

Securing generation capacity and linking this generation to project sites across the supply chain at a commercially viable price point is as fundamental to green iron and steel industry development, as it is to industry development in general. SACOME submits that consolidating a State-wide understanding of generation demand relevant to green iron and steel industry development should be a key element of a South Australian Green Iron & Steel Industry Supply Chain Study.

While transmission is dependent on the specific project requirements, some work has been done in the past to understand requirements.

Past estimates for construction of a notional transmission line to service magnetite production in the North Gawler Iron Region comprised an approximate 300 kilometre, 275kv double circuit transmission line, plus approximately 150 kilometre single circuit 275kv transmission line.; and sub-station works proximate to Hawks Nest, Mount Gunson South and the Davenport/Port Augusta region.

Price estimates for 275kv double circuit transmission line are an approximate \$3-3.5 million per kilometre; and a 275kv single circuit transmission line are an approximate \$2-2.5 million per kilometre.

While these estimates are heavily caveated, they provide an indication of the overall cost of providing transmission infrastructure to support magnetite production and should be a core consideration in progressing green iron and steel industry development.

Whyalla Gas Lateral Pipeline

While hydrogen is intended to be the ultimate fuel source for production of Direct Reduced Iron and green steel, gas will be the transitional fuel to bridge the gap between coal and hydrogen in iron and steel production.

Pipeline capacity to Whyalla is insufficient to meet requirements for Direct Reduced Iron (DRI) flagged by operators like GFG; and will be a necessary input for greater levels of green iron and steel production per the aims of the Malinauskas Government's Green Iron & Steel Strategy.

Based on consultation with its member companies, SACOME is advised that meeting these production objectives will require an increase in gas pipeline capacity to Whyalla from its present 24 to 80TJ – 120TJ.

This would require construction/duplication of 115km of pipeline from Port Pirie to Whyalla and construction of a compressor station. Additionally, ensuring that gas pipelines are capable of carrying and storing hydrogen is an important consideration for industrial

ambitions in Whyalla and the Upper Spencer Gulf and must be part of future-proofing pipeline infrastructure for hydrogen use.

Recognising the importance of gas as a transitional fuel and the importance of pipeline infrastructure to gas and hydrogen delivery, SACOME calls on the South Australian Government to provide underwriting support for development of a gas lateral pipeline to Whyalla as a de-risking and capital attraction measure.

3.3 Carbon Capture & Storage Industry Development

SACOME calls on the South Australian Government to provide support for the construction of a pipeline from Port Bonython to Moomba to facilitate development of an international carbon storage industry based in South Australia.

SACOME calls for the South Australian Government to progress dialogue with the Federal Government for establishment of bi-lateral agreements that facilitate the international trade of carbon.

SACOME calls for CCS technology to be afforded the same priority as other emissions reductions technologies in the State's pursuit of net-zero.

Santos, with its Joint Venture partner Beach Energy, announced completion of the \$200 million Moomba CCS facility in October 2024. This facility is one of Australia's largest investments in emissions reduction and, at full operation, the Moomba CCS facility will store up to 1.7 million tonnes of CO₂ per year, depending on CO₂ availability.

Linking this nation-leading facility to international markets is a crucial next step in the development of a South Australian carbon capture and storage industry and will require the construction of a 22inch, 700 kilometre pipeline connecting Port Bonython to Moomba. This pipeline would enable the import, transport and storage of carbon at the Moomba CCS facility while potentially supporting a new, commercial CCS industry and an e-methane industry

Commercial CCS is a viable pathway to reducing emissions and positions Australia to continue as a leading energy exporter and manufacturer of energy-intensive materials. CCS will also be a critical tool for hard-to-abate sectors in offsetting their emissions in which Australia has a long-term strategic interest in maintaining.

Given the significant growth prospects from the economic and environmental imperative to decarbonise as well as interest in CCS/decarbonisation opportunities from trading partners including Japan and South Korea, SACOME submits that appropriate funding measures to support the construction of a dedicated CO₂ pipeline from Port Bonython to Moomba to facilitate import and storage of carbon should be prioritised.

The International Energy Agency has forecast that a hundredfold increase in CCS is required between now and 2050 to achieve a net zero scenario– from approximately 50 million tonnes of CO₂ currently captured each year to more than 5 billion tonnes in 25 years.

The use of CCS will be a critical tool for hard-to-abate sectors in offsetting their emissions, including cement and steel manufacturing, which the country has a long-term strategic interest in maintaining.

South Australia has an opportunity to be a first-mover in developing a local CCS industry and timely investment in industry development measures can position the State as a leader in international carbon trade. Creation of a new industry based on trade in carbon also offers the South Australian Government a potential new revenue stream both as a new source of income for the State and new royalties that can be applied to import of carbon for storage.

Developing bilateral agreements with near neighbours underpinned by full ratification of the London Protocol is also an important next step in establishing regulatory arrangements to enable international carbon trade. SACOME calls for the South Australian Government to progress dialogue with its Commonwealth Government counterparts to advance this outcome.

Consistent with its previous pre-Budget submissions, SACOME calls for CCS technology to be afforded the same priority as other emissions reductions technologies in the State's pursuit of net-zero.

3.4 Resources Sector Heatmap & Infrastructure Corridors

SACOME calls for the completion and implementation of the South Australian Resources Sector Economic Heatmap and Resources Infrastructure Corridors initiatives.

South Australia has significant known mineral and petroleum reserves that represent yet-unrealised wealth for South Australia.

SACOME continues to call for development of a Resources Sector Economic Heatmap to provide the South Australia Government with a consolidated understanding of the value of South Australia's resources provinces and enable prioritisation of provinces/areas of the State for development.

SACOME's intent is for the Heatmap to identify:

- The potential economic value of a province to the State;
- The investment required to build a path to market for identified provinces;
- What actions the State could take to resolve infrastructure-related barriers to investment;
- Opportunities to leverage Commonwealth funding and prioritisation;
- The timeframes necessary for implementing a solution; and
- The opportunity cost of doing nothing.

SACOME submits that the Heatmap should be finalised in line with its original intent for use as a vehicle to inform Government decision-making at a 'region/province level' and as an investment attraction tool to enable province development.

Dovetailing with the Resources Sector Economic Heatmap, SACOME also calls on the State Government to finalise development of the 'Resources Infrastructure Corridors' initiative.

SACOME continues to advocate for implementation of the Infrastructure Corridors initiative as an infrastructure investment attraction tool by identifying and establishing infrastructure project pathways to major South Australian resources provinces.

This includes holistically resolving land access, approvals and logistics issues and operating as a jurisdictional advantage by providing operators with a de-risked and expedited path to project development.

SACOME notes the *State Development & Coordination Facilitation Bill 2024* as a vehicle for expediting project development, principally through creation of the Office of the Coordinator General; and granting the Coordinator General powers to declare 'State Development Areas'.

SACOME supports the concept of State Development Areas and notes alignment with our Resources Sector Heatmap & Infrastructure Corridors proposal, however, we emphasise that the intended function of the Heatmap/Infrastructure Corridors proposal is to provide a consolidated understanding of where expedited project development can be best applied across the State.

SACOME remains committed to progressing the *State Development & Coordination Facilitation Bill 2024* in consultation with the South Australian Government.

Noting the Malinauskas Government's ambitions for development of new industries like hydrogen and green iron/steel, the Economic Heatmap and Infrastructure Corridors concept can assist in realising these policy agendas by providing a tool for structured planning and coordination.

SACOME calls for resourcing of relevant government agencies, principally the Department of the Premier & Cabinet, the Department for Energy & Mining, and the Department for Infrastructure & Transport, to undertake and finalise development of the South Australian Economic Heatmap and Infrastructure Corridors initiative.

3.5 Continued Investment in Precompetitive Geoscience Measures

SACOME calls for continued investment in precompetitive geoscience measures by the South Australian Government.

Precompetitive geoscience data held by the Geological Survey of South Australia (GSSA), physical core and cuttings samples contained in the South Australian Drill Core Library, and digital delivery of information via the SA Resource Information Gateway is estimated to have a replacement value to the State of approximately \$75 billion.

Taken together, these measures provide an important investment attraction tool for encouraging exploration activity in South Australia.

Reporting commissioned by GSSA indicates that the suite of precompetitive data held by the South Australian Government can reduce future exploration program costs by 5%, equating to a return of \$6.50 for every \$1 invested in the GSSA.

SACOME strongly supports continued investment in GSSA and precompetitive geoscience measures, recognising their importance to South Australian explorers, and as a means of increasing knowledge of our State's geology.

4. Energy

4.1 Energy Transition White Paper

SACOME calls for release of the South Australian Government's Energy Transition White Paper as a priority action.

SACOME continues to champion the importance of strategic and coordinated energy policy development on behalf of its members.

SACOME has undertaken significant work to highlight the true cost of the energy transition to commercial and industrial operators and commissioned a peer-reviewed analysis regarding the cumulative costs of market interventions as part of its [comprehensive response](#) to the Government's Green Paper on the Energy Transition.

While the Green Paper consultation process closed in August 2023, the consequent Energy Transition White Paper is still awaiting release more than a year later.

SACOME calls for release of the Energy Transition White Paper as a priority action, recognising that it is intended by the South Australian Government to be a 'foundational economic document for the remainder of the first half of the 21st Century'.

In 2022 SACOME called for establishment of an [Energy Transition Advisory Board](#) to advise the Government on the impacts of energy cost, reliability, and sustainability for industrial operators, alongside development of an Energy Transition Roadmap to provide informed strategic direction to the next phase of South Australia's energy transition.

The Malinauskas Government subsequently [convened the Energy Transition Roundtable](#) and released the Green Paper on the Energy Transition in 2023, both of which were welcomed by SACOME.

SACOME has also called for the inclusion of a resources sector representative on the Premier's Climate Change Council (PCCC) to ensure the PCCC has full representation from industry and access to subject-matter expertise across the areas of the energy transition and industry decarbonisation.

SACOME expresses support for the State Based Planning & Forecasting function which was implemented in 2024, noting that it will incorporate South Australian-specific demand forecasting, power system design, costing and modelling, and market and reliability modelling and analysis to support power system decision making.

SACOME notes that the Retailer Energy Productivity Scheme (REPS) is scheduled to undergo a five-year review, SACOME calls for DEM to meaningfully engage with industry stakeholders to fully assess the cost, complexity and relevance of REPS for industrial operators versus the benefits it is meant to provide.

SACOME reiterates its position that REPS operates as a levy on industrial energy users to subsidise energy productivity measures for domestic users, creating an additional cost burden for South Australian industry.

4.2 Nuclear Readiness

SACOME calls upon the South Australian Government to allocate funding for upskilling of South Australian regulators to ensure jurisdictional readiness for implementation of nuclear energy.

South Australia has been at the forefront of the energy transition nationally, with over 70% of our energy generation coming from renewable sources. However, this leadership has come at a price to the State's commercial and industrial base, with recent SACOME analysis identifying that system security costs charged by AEMO have escalated by over 200% since 2016, with no signs of this trend abating.

Whereas previously system security costs were barely a feature, commercial and industrial customers have reported these costs now [represent 20-30% of their electricity bills](#).

While gas has, and will continue to have, a role in providing a measure of baseload power, nuclear represents an emissions-free alternative and would both complement the existing renewable resources and mitigate *some* of the pressures for new transmission infrastructure that renewables power demands.

SACOME has previously made submissions to the Commonwealth Government regarding lifting of Australia's nuclear prohibition to provide energy source optionality in the context of the national energy transition.

SACOME notes the establishment of a Commonwealth House of Representatives Select Committee [Inquiry into Nuclear Power Generation](#) on 10 October 2024. The Committee will inquire into and report on the consideration of nuclear power generation, including deployment of small modular reactors, in Australia.

SACOME further notes the October 2024 [announcement](#) by the Biden of \$900 million in funding to support the initial domestic deployment of Generation III+ small modular reactor (SMR) technologies in the United States. This initiative is aimed at meeting rapidly growing demand for electricity while simultaneously meeting climate and decarbonisation goals.

Countries looking to introduce civil nuclear power are guided by the [IAEA Milestones publication](#) (*Milestones in the Development of a National Infrastructure for Nuclear Power*), which requires approximately ten years of preparatory work prior to the first reactor coming online. Linked to this framework is an [Evaluation document](#) which the IAEA use to conduct an evaluation of a country's nuclear program.

The IAEA Milestones Approach is an internationally accepted methodology that supports a sound process for countries considering the development of a national infrastructure for

nuclear power and enabling countries to “self-assess” the readiness of their programmes to move forward.

While most of this preparatory work can only be done or commissioned by the Commonwealth Government, there are several discrete roles that State jurisdictions can undertake. One such role is ensuring that the State-based regulatory regime governing nuclear energy is fit for purpose and in advance of generation capacity.

SACOME calls for the South Australian Government to allocate funding to government departments to assess the State’s nuclear readiness and begin the work of building the regulatory framework to enable its operation.

5. Infrastructure

5.1 Regional and Remote Road Maintenance

SACOME calls for continued investment in regional and remote road maintenance and increased funding to address the State's road maintenance backlog.

South Australia has a road network comprising some 10,000 kilometers.

SACOME reiterates its previous calls for the maintenance and upgrade of these roads to be assessed in a manner that considers their economic value to the State, rather than using a simple metric that prioritises volume of vehicle movements.

While road maintenance is of paramount importance to safe transport of resources across the State, it also impacts freight operators, pastoralists and tourists using regional and remote roads.

Given the Malinauskas Government's objectives of increased economic activity in key regions like the Upper Spencer Gulf and the Far North, ensuring the safety and efficiency of major freight routes becomes an even greater priority.

InfrastructureSA's inaugural 20-Year State Infrastructure Strategy stated that the estimated road maintenance backlog was \$780 million and growing by \$100 million per year. It also found that South Australia spends proportionately less on road maintenance compared to New South Wales and Western Australia.

Consistent with previous Budget calls, SACOME joins the RAA in calling for the South Australian Government to allocate road maintenance funding of \$1 billion over four years to reduce the backlog of road maintenance across South Australia's road network.

Yunta Road

In 2021, the Government completed a \$4 million pilot, to test a single lane sealing of a 20 km portion of the Yunta Road on the section north of Yunta to the Epic Energy Right-of-Way turn-off.

This 220 km road is a vital supply line for the expanding Four Mile uranium mine, operated by Heathgate Resources, which is the second largest producer and exporter of uranium in Australia. This road is also used by explorers, livestock transport, and tourists, but has long been in poor condition.

Given the success of this test-sealing work, SACOME calls for comprehensive implementation of a road sealing program with an initial focus on the most degraded sections. This should be accompanied by an increased maintenance program for this economically important corridor

Mulyungarie Road

Since 2019, reports have been made to the Department for Infrastructure and Transport regarding the poor condition and continual maintenance required for Mulyungarie Road (the Honeymoon Mine access road) near Broken Hill, which remains unsealed and does not allow for the run-off or drainage of water.

Boss Energy has advised that the road is worsening every year, with only minor remedial grading being undertaken on an ad hoc basis.

Given Boss Energy has resumed production at its Honeymoon Mine, ensuring the safety of accessibility of Mulyungarie Road is a paramount concern, given the road is used for the transport of chemical reagents and uranium, and is inaccessible in wet weather.

This is a shared road for both pastoralists and multiple resource companies, including Boss Energy, Consolidated Mining & Civil, and Havilah Resources.

SACOME calls for the South Australian Government to prioritise upgrade and maintenance and upgrade of Mulyungarie Road road.

5.2 South Australian Cyber Infrastructure Taskforce

SACOME calls for the South Australian Government to facilitate creation of a South Australian Cyber Infrastructure Taskforce to coordinate strategic investment in cyber infrastructure.

This Taskforce would comprise members from government, industry, and peak bodies and have the objective of addressing the key opportunities and challenges in establishing a cyber network for the resource sector.

SACOME suggests that a primary goal of the Taskforce should be to develop a "Pit-to-Customer" cyber infrastructure that provides secure, transparent, and data-sovereign connections for managing the resources and energy supply chain.

A key function of the Taskforce would be to recommend frameworks and roadmaps that enable various digital technologies to connect to a secure "cyber network shell." This integration generates a Cyber Physical System that allows organisations better access to critical data from across the supply chain.

Implementing this infrastructure can improve data control for companies, mitigate supply chain risks, enhance bricks and mortar hubs, and enable reliable access to Scope 1, 2, and 3 emissions data.

The Taskforce could also utilise Industry 4.0 technologies to recommend a framework and roadmap for integrating various digital technologies into a Cyber Physical System, improving data control and supply chain security.

This infrastructure, particularly in the upper Spencer Gulf, would encompass various sectors including water, renewable energy, gas, and hydrogen, among others. The approach aims to manage emissions across all scopes effectively and is inspired by similar European models that respond to shifts in manufacturing and supply sectors.

Establishing Cyber Infrastructure Taskforce would not only enhance supply chain security but also position South Australia as a leader in cyber infrastructure usage, crucial for the State's industrial growth, economic controls and sustainability initiatives.

6 Education, Workforce & Skills

6.1 STEM Digital Technology Education Program

SACOME calls for the South Australian Government to fund implementation of the STEM Digital Technology Education Program in 50 South Australian State schools at a cost of \$1.2 million over 5 years.

The STEM Digital Technology Education Program aims to teach fundamental STEM skills, increase student interest in technology-based career pathways, and support a future pipeline of skilled workers crucially needed for the South Australian resources sector, and to meet the challenges of decarbonisation, industrial transformation and energy transition.

Teaching science, technology, engineering, and mathematics (STEM) in schools is vital to ensuring South Australia keeps pace with technological change relevant to advancing its economic and social goals.

In May 2024 SACOME launched the [Digital Technology Education Program](#) supported by industry partners BHP, Nyrstar, Hillgrove Resources, Fortescue and SIMEC Mining.

This SACOME-funded pilot program was implemented in the following six Catholic Education schools:

- St Barbara's Parish School, Roxby Downs
- St Mark's College, Port Pirie
- St Francis de Sales College, Mt Barker
- Caritas College, Port Augusta
- Samaritan College, Whyalla
- St Aloysius College, Adelaide

The Program is based on the highly successful [Digital Technologies Program](#) implemented by the Chamber of Minerals and Energy Western Australia (CMEWA) in over 70 schools in regional WA, with expansion to a further 200 schools as a next step. It is also presently being considered for introduction in State schools by the Queensland Government.

Based on the positive response from students and educators to the pilot program, and supporting data from CMEWA, SACOME calls on the South Australian Government to implement the Digital Technology Education Program in South Australian State schools.

Following the successful implementation of the trial, SACOME wrote to the Minister for Education seeking funding for roll out of the Program in South Australian State Schools. SACOME was advised in September 2024 that the Department of Education was 'not in a position to fund the proposal'.

Investment in the STEM Digital Technology Pilot would ensure that more students across South Australia benefit from high-quality STEM education, fostering a new generation of

innovators and problem-solvers who will be critical to our state's economic and technological development.

SACOME calls upon the South Australian Government to fund this initiative.

6.2 State Workforce Plan

SACOME reiterates previous Budget calls for continued departmental resourcing to undertake development of State Workforce Plan.

SACOME acknowledges and supports the work that is being undertaken by the Department of State Development to develop a State Workforce Plan and associated Industry Sector Plans.

Workforce and skills shortages present an imminent economy-wide challenge which was made 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.

Long-term and strategic workforce planning is essential to building labour market resilience across the South Australian economy.

Strategic mapping of existing and future requirements across all industry sectors will help government and industry better understand cross-sector workforce needs, identify expected peaks and troughs, and better align training, education, and attraction measures to meet future workforce needs.

Planning will also assist in coordinating worker transition across sectors and through industry cycles and will assist in facilitating worker movement to new or other sectors in periods of downturn while ensuring they are equipped with transferable skills and the training necessary for that transition.