



Media release

Victoria's report card on mining: 'Could do better'

Statement from James Sorahan, Executive Director, MCA Victoria

Victoria cannot take mining's contribution to jobs, investment and communities in regional Victoria in the future for granted.

The Fraser Institute's latest Annual Survey of Mining Companies is another reminder that Victoria needs to double down on improving Victoria's regulatory regime if the state is serious about growing the mining industry and regional development.

Victoria's 2019 scorecard shows a deterioration in investors policy perceptions of mining in our state.

Victoria remains the second worst state in the rankings, ahead only of NSW and far behind the best performing state Western Australia.

While Victoria's score on investment attractiveness which includes 'policy perceptions' and 'mineral potential' increased from a score of 60.74 to 64.27 (out of 100), Victoria's score on policy perceptions fell sharply from 76.85 to 67.81. This is in part a predictable consequence of the government's flawed and rushed imposition of a massive new gold royalty on the industry which took effect from 1 January this year.

A positive is that Victoria's score on mineral potential is up and is the highest it has been in the last 5 years. This improvement is primarily due to Victoria's improving minerals prospectivity, but Victoria's geological potential alone is not enough for the state to convert its minerals endowment into a pipeline of new investment and jobs.

Half of all respondents said that approval timeframes in Victoria have 'lengthened considerably' in the last 10 years and 43 per cent said that Victoria 'rarely met' its own established timeframes for approvals.

Victoria ranks in the bottom half of jurisdictions on taxation, uncertainty of regulations and regulatory duplication.

The need to act is becoming urgent if growing interest in exploration is to convert into new mines in coming years.

MCA Victoria's pre-budget submission sets out policy priorities that will improve Victoria's investment attractiveness for mining including a progressive royalty that encourages investment, removing overlap between state and federal environmental processes and reforming the licencing and land tenure regime to world's best practice and ensure all Victorians can benefit from this industry which has immense potential.

MCA Victoria will continue to work with the state government to deliver on its detailed Mineral's Strategy and the office of Better Regulation Victoria which is working to reduce red tape.

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