

Jaclyn Symes MP

Minister for Resources

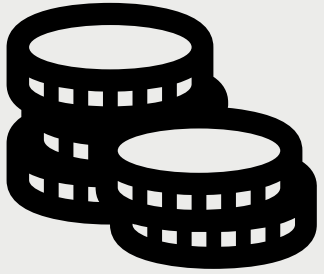
RESOURCES PORTFOLIO

Public Accounts and Estimates Committee

30 June 2021

Victoria's resources sector at a glance

(2019/20)



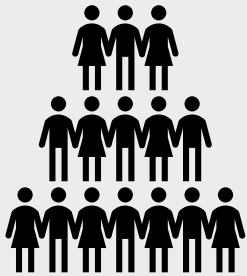
\$624m

New capital expenditure



63m tonnes

Extractives production volume



13,000

Jobs



388,662

Metres drilled total
(exploration, retention, mining)



\$1.88b

Minerals



\$1.06b

Extractives



\$2.94b

Total production value

Minerals

101

mineral licence applications granted 2020-2021 YTD
(89 Exploration Licences)
As at 15 June 2021

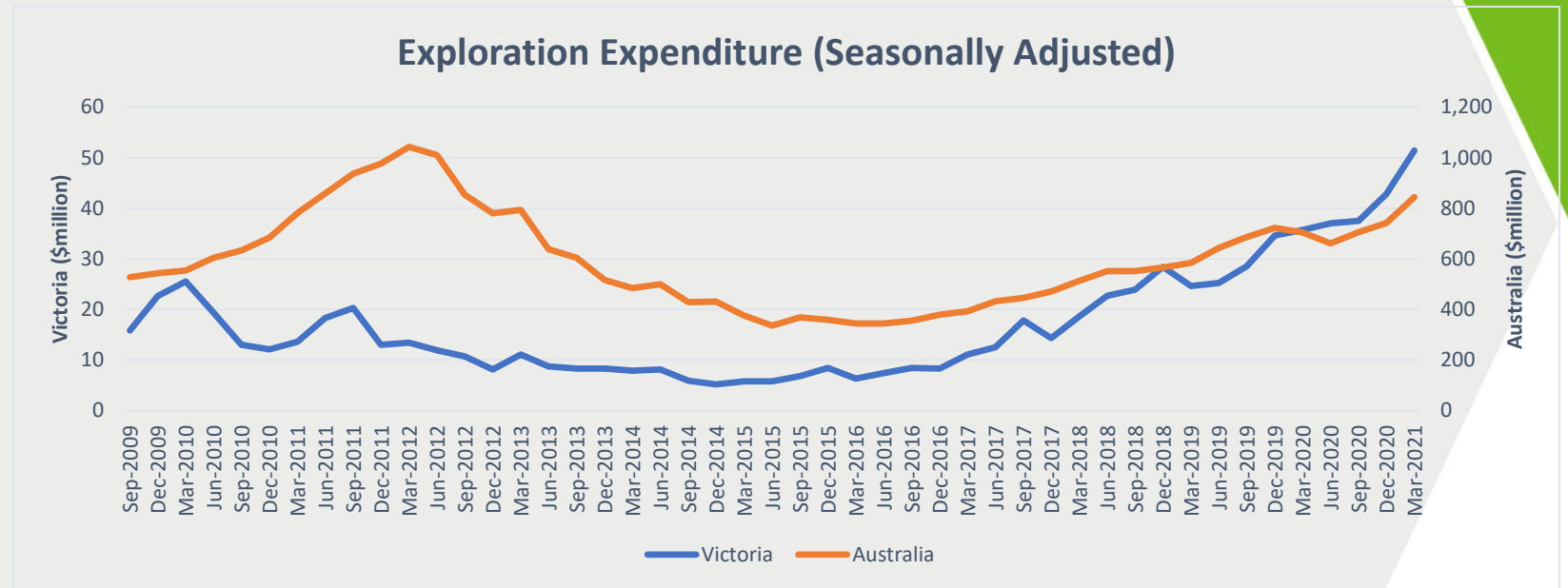
\$135.8m

total mineral exploration in 2019-2020

8,487

of new miner's rights in 2019-20

Mineral exploration expenditure (\$millions) (seasonally adjusted)



Source: ABS, 8412.0, Mineral and Petroleum Exploration, released 01/06/2021

Extractives

- The extractives sector is playing a key role in the state's **post-COVID economic recovery** effort
 - Rock, sand and gravel are **essential inputs** to the building and construction sector
 - **\$40.4 billion** worth of construction occurred in 2019-20 using a record level of extractive resources
- Extractive Industry Priority Projects List: **12 expedited quarry expansions** will bring more than **90 million tonnes** of resources to market
- Strategic Extractive Resource Areas (SERA) pilot projects aim to safeguard resources for our future needs in key supply areas.

More than \$40 billion worth of construction occurred in 2019-20 in Victoria

...using more than **63 million tonnes** of stone, sand, and gravel

Highlights

Victorian Gas Program and Restarting the onshore conventional gas industry

IMARC – despite COVID-19, industry came together for another record-breaking event in November 2020 via a virtual platform

Recreational Prospecting Guide – shows where prospecting can occur, what equipment can be used and how to do the right thing

Rehabilitation

- **Bond Calculator** – updated calculator ensures bonds reflect anticipated rehabilitation costs
- **Regulatory Practice Strategy** – outlines regulator's strategic rehabilitation goals and actions over the next 2 years



COVID-19 pandemic

IMPACT

- All mining operations across regional Victoria and metropolitan Melbourne were able to continue operating under COVIDSafe Plans.
- Challenges to mining operations included logistical disruptions, restrictions on equipment and labour availability due to border closures, and challenges to sourcing new capital.

RESPONSE

- Deferred collection of rent and annual fees to aid immediate collection – around **\$3.5 million** deferred by 6 months.
- Proactively engaged with industry to enable them to continue to operate in a COVID safe manner.
- Resources sector specialist workers whose skills couldn't be readily sourced in Victoria were eligible to apply for a Specified Worker Permit to enter Victoria.

2021/22 Budget: Securing the resources for Victoria's economic recovery

Support for ongoing growth in the resources sector - \$35.7M

- Enable delivery of critical services to support the sector's record-breaking activity, creating jobs, economic development and new resources opportunities.
- Reducing the risk of unsafe or harmful resource exploration and extraction activity in a growing and diverse sector.
- Maintaining and growing industry and community confidence through the ongoing delivery of efficient and effective policy and regulation

Resources output funds

- Develop policy and legislative reform and implement programs
- Regulation of the resources sector to enable investment and generate jobs through the sustainable development of the State's earth resources

**2021-22 total
expenditure
in Resources
Portfolio**

\$35.7M

**2021-22
Resources
Output Cost -
\$66.2M**

Legislative reform to modernise approvals



Modern, fit for purpose laws are critical to enable a growing sector that is valued by community



Consultation with industry, community and government agencies has underscored the need to modernise earth resources approvals and inform reforms.

A better approach to approvals will give industry and community greater certainty

