

MEDIA RELEASE

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Resource industry welcomes RET reduction

*AMMA – Australian Mines and Metals Association
Statement by Chief Executive, Steve Knott*

AUSTRALIA'S national resource industry employer group, AMMA, congratulates the Coalition government and ALP for negotiating an agreed reduction in the Renewable Energy Target (RET) that has passed through the Senate with bipartisan support.

In principle, AMMA does not agree that legislated targets are the most effective mechanism to encourage investment in renewable energies. Our position is that there is a need for both renewables and non-renewables, and that the market remains the best determinant of the value and viability of various energy sources.

However, given political circumstances and various community views about a RET, we welcome the government providing certainty for all energy users and the reduction in the target from 41,000 gigawatt hours to 33,000GWh - aligned with changing energy demands.

Resource industry employers in particular are facing enormous global competitive pressures and are highly dependent on certainty and stability in energy cost and supply. This is especially critical when making long-term investment decisions that bring projects, jobs and economic benefits to our country.

AMMA also welcomes the agreement to exempt aluminium smelting from the RET. This represents sound political decision making that will support the ongoing competitiveness of this sector and ensure the significant employment it provides in Australia is not lost offshore.

After months of speculation and uncertainty, we are pleased to see this issue resolved through a cooperative, bipartisan process and hope such an approach can be applied to other policy issues of national significance.

Media Contact: Kylie Sully, 0409 781 580, Kylie.Sully@amma.org.au