

MEDIA ALERT

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Major parties must outline credible long-term vision for economic growth

AMMA - Australia's resource industry employer group

TODAY'S strong GDP growth figures do not reflect the significant challenges facing Australia's resource industry and the broader economy, and should be treated with caution by our national policy makers.

"While the fastest quarterly growth in GDP since 2012 provides a nice sugar hit of good news for the economy, if anything these figures further highlight the challenge for both major parties to outline a credible long-term economic vision during this election campaign," says AMMA CEO Steve Knott.

"AMMA welcomes data showing the resource industry's production phase is contributing strongly to economic growth, but the reality is much of this is driven by our mining sector increasing volumes to offset sustained low commodity prices and tightened margins.

"Falling engineering construction investment figures also shows a concerning lack of investor confidence in fuelling the next wave of Australian resources projects.

"More broadly, we have already seen CPI, wages growth and interest rates fall to historic lows in 2016. The *Pre-Election Economic and Fiscal Outlook* also shows the pick-up in the non-mining sectors of our economy has been slower to materialise than anticipated.

"Clearly there is a pressing need for our national policy makers to address fundamental reforms across industry policy and workplace relations that will support the long-term competitiveness of Australia's resource industry and broader economy."

In particular, Mr Knott says resource employers are 'waiting in anticipation' for the release of the major parties' workplace relations policies, given the multiple barriers to productivity and competitiveness created by the current Fair Work system.

"Workplace relations reform is tough; it can't be packaged into colourful political messages or ignored by diverting attention to other policy areas. How we regulate work in Australia has a massive and fundamental impact on our productivity, growth and economic prosperity," he says.

"We should be addressing clear workplace problems that employers have repeatedly highlighted since the Fair Work Act came into effect in 2009, and that if fixed would boost confidence to invest, employ and fuel a new phase of investment across our economy, including in new resources projects.

"The resources sector contributes over \$20 billion annually in royalties and taxes that help fund schools, hospitals, roads, national security and other public projects. Our industry should be better supported by our national policies, not be written off as something Australia should be transitioning away from."

During the 2016 Election Campaign, AMMA is advocating for '5 Reforms Over 5 Years' that would ensure our workplace relations system properly supports employment, investment and growth in Australia's resource industry.

These five areas are part of a suite of reforms recommended by the resource industry that KPMG research has estimated could add up to \$30.9 billion to the economy and create 36,000 jobs.

To learn more, visit amma.org.au/backontrack.

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