



Action urged on US rare earths deal

■ Lanai Scarr

Australia's biggest resources chiefs have pressed the Government to urgently put some "meat on the bones" of a plan to boost sales of Australian critical minerals to the US, saying it will create more than 6000 jobs in the next five years, many of which will be based in WA.

As the Government last Tuesday released a report highlighting the need to secure a pipeline of investment with the US, the Minerals Council of Australia and the Australian Mines and Metals Association have said there is no time for delay.

US Secretary of Commerce Wilbur Ross will this week visit Australia to progress conversations on critical minerals and rare earths ahead of a November meeting in Washington DC to bed down an agreement to free up the sector from regulatory burdens to facilitate US investment to grow the local industry.

It's expected Mr Ross will meet senior members of government, though it is not yet known if that will include Prime Minister Scott Morrison.

Rare earths and critical minerals are used in everything from mobile phones and computers to

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wind turbines and defence industry technology. The vibrating motor in a mobile phone is made with rare earths, as is the lithium-ion battery.

China supplies most of the world's critical minerals and rare earths elements but the US would like to buy more from Australia — one of its closest security allies. Australia is ranked second in the world for rare earths elements and second for production, yet many of these resources remain untapped.

Chief executive of the Minerals Council, Tania Constable, said Mr Ross' visit was a positive step forward but more detail was needed rather than just talk.

“There is huge potential for Australia, in particular Western Australia, so we welcome the continued dialogue and look forward to seeing some meat on the bones,” she said.

“The US-Australia Critical

Minerals Action Plan has the potential to create new jobs across the country, especially in Western Australia which has rich deposits of rare earths and critical minerals.”

AMMA head of policy Tom Reid said its forecasting anticipated about 6000 jobs nationally would come from new critical minerals projects by 2024. The bulk of rare earths and critical minerals deposits are in WA.

“About 4000 jobs in WA will come from new critical minerals projects. This represents 40 per cent of the State's estimated new mining production jobs over the next four years, showing how important it is for governments to nurture these developing resource sectors,” he said.

“We have a unique opportunity to supply one of our largest trading partners, the US, with a significant slice of its fast-growing demand for critical minerals.

“Such an opportunity warrants fast-tracking to ensure the job-creating opportunities are not missed.”

The Critical Minerals Supply Chain in the US report released last Monday found “critical minerals and rare earths sub-sector would benefit from closer engagement with US end-users”.