

MEDIA RELEASE

23,510 JOBS LOST IN THE MINERALS INDUSTRY BY 2020 UNDER EMISSIONS SCHEME

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The adverse employment impact of the Federal Government's Carbon Pollution Reduction Scheme has been confirmed by the first sector-wide economic modelling of the CPRS.

The Concept Economics modelling shows that 23,510 direct jobs will be lost across Australia's minerals industry by 2020 and 66,480 by 2030. The 2020 figure represents an 11 per cent drop in overall employment in the minerals sector, while the 2030 result is a 24 per cent decrease.

The study was conducted by Dr Brian Fisher, the former Executive Director of the Australian Bureau of Agricultural and Resource Economics and is the first detailed analysis of the impact of the emissions scheme on employment in the Australian minerals sector.

"The proposed CPRS is out of step with global efforts to reduce emissions, other international trading schemes and the development of the low emissions technologies needed to reduce emissions. It will impose the highest carbon costs in the world on Australia's minerals exporters," Minerals Council of Australia Chief Executive Officer Mitchell Hooke said.

"We share the Government's commitment to reducing emissions, but this modelling shows the CPRS is fundamentally flawed. By imposing the highest carbon costs in the world on Australia's minerals exporters, it will eliminate jobs while failing to materially reduce global greenhouse gas levels."

"One simple change to the CPRS would deliver a cap-and-trade emissions reductions scheme without the job destroying impact of the current design. It should include a phased approach to emissions trading – with the number of carbon permits auctioned increasing over time."

"Such a simple change would deliver a scheme with good outcomes for the environment and save thousands of jobs. Other schemes around the world have adopted a phased approach – it is hard to understand why it has been ruled out in Australia."

State Job losses

State	2020 job losses	2030 job losses
Qld	11440	34090
NSW	4260	14600
WA	3410	5750
SA	1990	3150
Tas	1050	2520
Vic	1210	5830
NT	150	540
TOTAL	23510	66480

*The Liquid Natural Gas (LNG) and oil industry not modelled.



Job losses by commodity

Commodity	2020	2030
Coal	9040	15610
Gas	870	1730
Bauxite	40	600
Other non-ferrous metal ore mining **	1720	5290
Iron Ores	560	1740
Other mining	1130	3240
Mining services	1580	4600
Smelting and Refining Sector	8570	33670
TOTAL	23510	66480

**Includes gold, copper, lead and zinc

The recent changes to the CPRS have not fixed the fundamental flaws in the scheme.

“The one year delay represents a stay of execution for the jobs that will be shed under the proposed scheme. The simple message of this report is that the CPRS as it is currently designed will result in a transfer of exports from Australia to our international competitors,” Mr Hooke said.

“That will not produce any appreciable reduction in global emissions,” he said.

A copy of the modelling for Minerals Council of Australia, the Queensland Resources Council, the New South Wales Minerals Council, the Chamber of Minerals and Energy of Western Australia, the NT Resources Council and Tasmanian Minerals Council, is attached.

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