

Crunch time for the future of Australian aluminium

The Australian Aluminium Council today called on the Commonwealth Parliament to seize the opportunity presented by the current winter sittings to remove two punitive imposts on Australia's job-creating aluminium industry.

"Federal Parliament will make two crucial decisions impacting Australia's ability to compete with the rest of the world—will the carbon tax be quickly repealed, and will the burden of renewable energy subsidies be lifted?" said Miles Prosser, Executive Director of the Australian Aluminium Council.

The Australian aluminium industry has been transforming its business in the face of unprecedented market challenges. But the industry continues to be weighed down by punitive and unnecessary imposts as it fights to compete on the world stage.

"Now is the time for Parliamentarians to release the cost burden and allow Australia's aluminium industry to compete."

Globally, Australia is the second largest producer of alumina and the sixth for aluminium, but faces higher climate policy costs than any other country. An \$8 billion export industry which adds value to Australian resources is facing its toughest conditions ever due to the historically low aluminium price and persistently strong Australian dollar.

"Australia's refineries and smelters are fighting for survival. The Senate must quickly allow the repeal of the carbon tax or explain why their posturing and delay is worth risking decades of investment and thousands of jobs" said Mr Prosser

"Any delay after 1 July cuts into our competitiveness by millions of dollars a month. At that rate, it threatens the very future of Australia's manufacturing industry. The Senate should pass the repeal now and stop playing politics with jobs and businesses."

Mr Prosser also drew attention to the impact of the Renewable Energy Target (RET) on an industry that uses electricity to transform Australia's bauxite reserves into aluminium for the world's new generation of cars, planes, computers and infrastructure.

"RET costs are an even greater drag on our industry than the carbon tax. The Government's current review of the RET provides the opportunity to remove the subsidy all electricity users currently pay to renewable generators. That would reduce costs not just for aluminium smelting but for all Australians.

"We have reached the crisis point. Parliament must move quickly to lift the cost burdens from what's left of Australian manufacturing."

Contact: Miles Prosser, Executive Director, Australian Aluminium Council, **0429 923 605**.