

# MEDIA RELEASE



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## ***Securing a future for Australian aluminium Recommendations for growth and sustainability***

Australia's large and vertically integrated aluminium industry presents exciting opportunities to help both Australia and our global trading partners navigate the energy transition. But to underpin the investment to remain competitive and grow, the industry needs rapid access to competitive energy and designated critical mineral status to access global capital and overcome excessive red tape. This will ensure the sector can continue to make its significant A\$18 billion economic contribution while securing thousands of valuable jobs in regional centres across the country.

New research by the Australian Aluminium Council highlights the industry's significant contribution to the Australian economy prosperity and the advantages of its integrated mine-to-market structure. However, the report also identifies serious vulnerabilities requiring an urgent response from government.

The *Economic Contribution of the Vertically Integrated Australian Aluminium Industry* report found the industry is especially vulnerable to supply chain disruptions. Based on the report's modelling of a hypothetical scenario, the economic impact of the closure of a single bauxite mine in Western Australia that employed around 600 people could lead to loss of 10,000 indirect jobs and a \$2.7B reduction to GDP.

"Australia is one of the very few countries anywhere in the world with a complete mine-to-market aluminium supply chain," said Aluminium Council CEO, Marghanita Johnson. "It's a remarkable achievement by generations of Australians but their legacy is now at risk from disruptions and interruptions caused by the challenges in the energy transition, uncertain environmental approvals, and uneven global competition."

"Aluminium is vital to Australia's economy and a critical component of green technologies like solar panels, electric vehicles and batteries. Maintaining strong manufacturing capabilities needs to be a domestic priority," Ms Johnson said.

The report highlighted the high stakes, finding the aluminium sector provides more than 20,700 direct and 55,000 indirect jobs, predominantly in regional Australia at pay rates 60% above the national manufacturing average. The industry contributes more than A\$18 billion to Australia's economy with annual export revenue in excess of A\$15 billion.

The *Economic Contribution of the Vertically Integrated Australian Aluminium Industry* report outlined how, with sensible, stable policy and government and industry cooperation, Australia could continue to be a world leader in sustainable aluminium production and innovation. Recommended policy prescriptions include:

1. **Streamlining environmental regulatory processes.** Australia needs timely, clear, and consistent environmental regulatory processes across all jurisdictions that ensure that the nations valuable bauxite resources remain economically accessible and support the timely delivery of transmission infrastructure essential to the energy transition.
2. **Providing targeted support for decarbonisation and the energy transition** with a coordinated approach to energy planning across jurisdictions to support the development of green metals.
3. **Adding bauxite, alumina and aluminium to the Australian critical minerals list** to streamline regulatory processes, boost funding for decarbonisation, attract international investment, and address increasing geopolitical and sovereign risks; and
4. **Maintaining robust international trade remedies** to protect Australian manufacturers from unfair trade practices, such as dumping and subsidisation. This includes investigating anti-circumvention practices so Australian producers can continue to compete in local and global markets.

“Our Australian aluminium industry has a track record of technical innovation and adapting to changing market conditions. With the right settings, the industry can continue to play a pivotal role in the national economy and the country’s industrial landscape, just as it has done since 1955,” Ms Johnson said.

The *Economic Contribution of the Vertically Integrated Australian Aluminium Industry* report is available [here](#).

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#### **ABOUT THE COUNCIL**

The Australian Aluminium Council (the Council) represents Australia’s bauxite mining, alumina refining, aluminium smelting and downstream processing industries. The aluminium industry has been operating in Australia since 1955, and over the decades has been a significant contributor to the nation’s economy. It includes six mines which collectively produce over 100 Mt per annum making Australia the world’s largest producer of bauxite. Australia is the world’s largest exporter of alumina with five alumina refineries producing around 20 Mt per annum of alumina. Australia is the seventh largest producer of aluminium, with four aluminium smelters and additional downstream processing industries including more than 20 extrusion presses. Aluminium is Australia’s highest earning manufacturing export. The industry directly employs more than 20,000 people, including 6,600 full time equivalent contractors. It also indirectly supports a further 55,000 families predominantly in regional Australia.

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