



26 MAR, 2026

Dear Mr Treasurer ... the time is right now

The Australian, Australia



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Dear Mr Treasurer ... the time is right now

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Ahead of the May federal budget, much of the public debate has focused on capital gains tax and whether government spending should be increased or reduced.

While these topics may be important, they alone will not make our country more productive, competitive and independent in the increasingly hostile and fragmented world in which we find ourselves.

The real test of this budget will be whether the government can prioritise the allocation of its expenditure and investment to the areas of the economy that will have the greatest sustainable positive impact.

To date, there seems to be a surprising absence of discussion around where this should be.

The resources industry is undoubtedly our country's biggest and most compelling competitive advantage and has, over decades of success, made Australia enviably wealthy.

It is our largest taxpayer by a country mile and needs the support of government to ensure that this contribution can be sustained and even increased in the decades to come.

To do this, your government must address some long-term structural issues, which will grow the resources sector and benefit all Australians. If the resources sector stalls or its global competitiveness slips, it's not just company profits at stake – its strong super returns, public services, and a stable dollar.

To have any chance of achieving this, we must harness the resources industry with a warm embrace rather than, as it feels for participants in the sector, tepid acceptance.

The harsh reality is we are going backwards despite our competitive advantage in

resources: our approval process is cumbersome and lengthy, our energy costs are high and likely to go higher, our industrial relations laws are increasingly restrictive and costly, and our investment in key enablers to address these issues – technology and education – is not being incentivised.

At a recent pre-eminent Mining and Critical Minerals conference I attended in Miami, I was surprised and disappointed that no presenters representing global mining companies ranked or prioritised Australia as a destination for investment.

This should be a serious wake-up call for us.

New Zealand and Canada, countries that have at least as high a standard of environmental protection as Australia, have over the past 12 months introduced “fast-track” processes to speed up the approval of mining projects.

We have no such initiative and the largest global resource companies consistently highlight Australia as being challenging relative to other jurisdictions in this area, and an impediment to investment. This federal budget provides the opportunity to do something similar in Australia – introduce a “fast-track” commitment that reduces red tape and speeds up all important long-term new investment in the

industry without compromising the environment or the communities who call these regions home.

If government is serious about its stated commitment to a profitable and sustainable critical minerals sector, a national energy policy endorsed by the states must be a priority.

Not only is our energy relatively expensive, but we are also reaching a point where even

its reliability cannot be assured.

Our smelters were built decades ago and many now rely on government subsidies to keep operating. Lynas, a global leader in rare earths, late last year disclosed that its recently constructed processing facility in Kalgoorlie was affected by significant power disruptions during 2025 with an increase in the frequency and duration of outages during November 2025.

Furthermore, other critical mineral downstream assets that have been built recently such as lithium hydroxide plants have been facing headwinds due to their unsustainable cost profiles.

Unless we can deliver a clear pathway to cheap power that meets realistic emission target reductions, we need to accept a future that sees the processing of our minerals in countries that are more successful in delivering this.

There is an alternative, but it requires policy courage of the nature we have not seen since the Hawke, Keating and Howard governments.

Today's government should be prioritising a national bipartisan commitment to deliver cheap, globally competitive and preferably renewable power that companies can rely on when determining which jurisdictions to allocate their capital.

This is an expensive, multi-decade commitment we must not shy away from. The 2026 budget is an ideal opportunity to set the tone by providing significantly more financial support and clarity on a credible pathway to delivering this oft-stated goal.

The budget must also provide incentives to increase productivity – the resources industry is globally competitive and capital flows to the most



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productive, attractive and efficient destinations.

The key enablers to this are a commitment through incentives or tax policy that encourage and motivate investment in technology and education which, in turn, can transform the productivity of the resources industry.

The emergence of the power of AI provides an ideal opportunity to create the environment and skills that encourage significant

investment in a technology that offers the potential to profoundly enhance our productivity and improve our global competitiveness.

Treasurer, the time is now.

Jake Klein is chair of Evolution Mining and executive chair of Endura Mining.

Government should be prioritising a bipartisan commitment to deliver cheap, globally competitive power

