



WA 2026-27

Pre-Budget Submission

Restoring competitiveness
Securing opportunity



Pre-Budget Submission

POLICY BRIEF

Western Australians enjoy a standard of living that is among the highest in the world, underpinned by the success of the WA resources sector.

The sector has invested over \$842 billion in the past two decades¹ alone to develop an industry that supports 3 in 10 jobs in the state,² pays the highest average wages in the country³ and underpins the State Government's budget position, contributing one third of general government revenue in 2023-24.

In 2023-24, the WA resources sector accounted for:



45% of WA's
economic activity



93% of goods
exports



43% of
investment

These outcomes reflect WA's strong investment fundamentals over recent decades, including timely access to land, attractive policy and fiscal settings, a skilled and productive workforce and reliable, low-cost energy.

However, rising geostrategic competition and a deterioration in our state's investment fundamentals risk WA's ability to attract the investment that will secure our prosperity for the next generation.

Energy prices have roughly doubled over the past five years, federal-state approvals processes are lengthy and increasingly uncertain, federal industrial relations reforms are harming productivity and Australia's corporate tax rates are among the highest in the OECD.

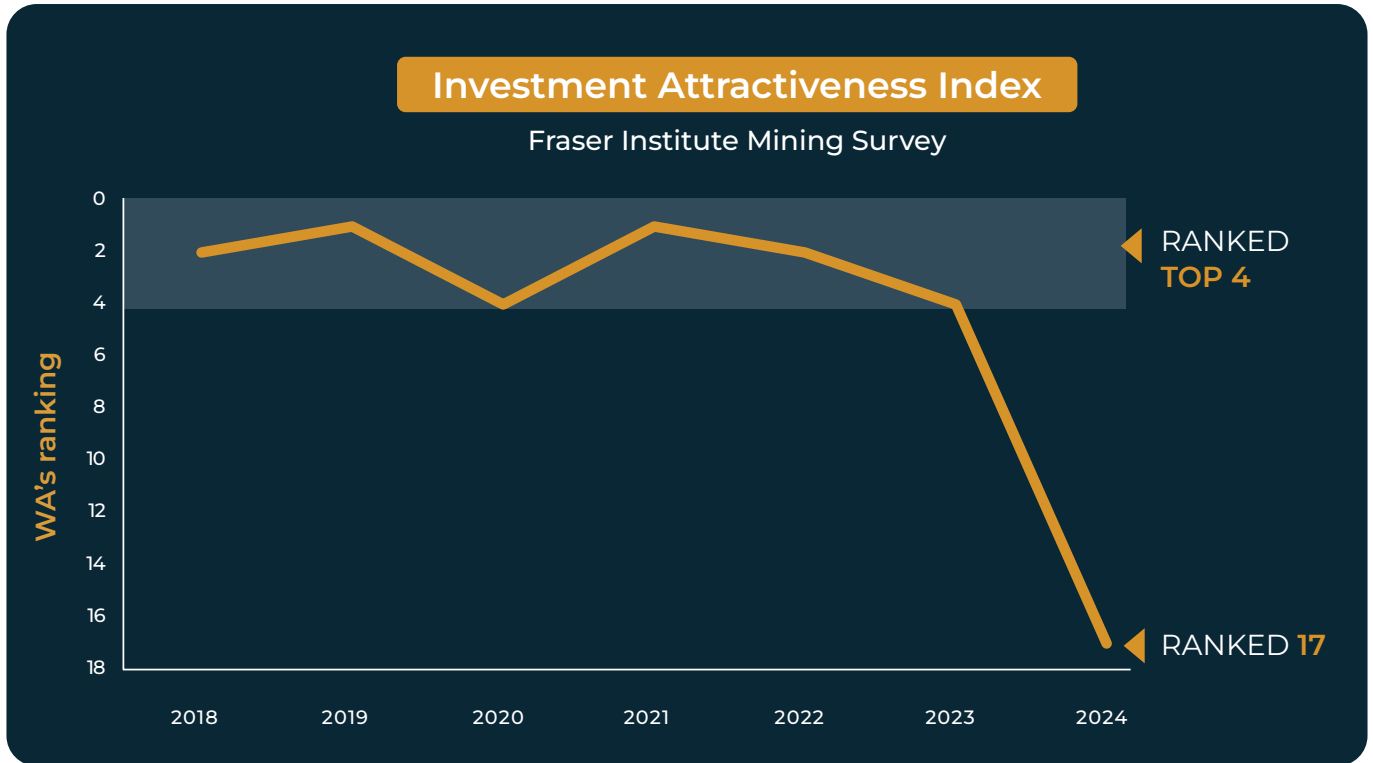
1 Mining gross fixed capital formation, chain volumes; figures cover 2004-05 to 2023-24. [Australian Bureau of Statistics, 5220 Australian National Accounts: State Accounts, Table 25.](#)

2 Direct and indirect jobs. CME, [2023-24 Economic Contribution: Western Australia](#), March 2025.

3 ABS, [6302.0 Average weekly earnings, Australia](#), table 10h.

This decline in competitiveness is confirmed by Australia’s IMD World Competitiveness Ranking falling five places to 18th in 2025.⁴

Similarly, the Fraser Institute’s 2024 Survey of Mining Companies found Western Australia’s attractiveness as a resources jurisdiction has fallen from 4th to 17th, with jurisdictions in the US, Canada and Europe now comprising the top 10 most attractive jurisdictions.⁵



CME’s 2026-27 Pre-Budget Submission (PBS) provides the WA resources sector’s priority recommendations to recapture WA’s competitiveness as a resources jurisdiction, supporting the ongoing viability of existing resources operations and the attraction of new and emerging industries.

This Policy Brief summarises the key recommendations contained within the PBS across the following policy areas:

- 1** Competitive fiscal settings
- 2** Access to resources
- 3** Energy security and transition
- 4** A safe, diverse and skilled workforce
- 5** Regional economic development

4 IMD 2025, [World Competitiveness Ranking](#), accessed 8 August 2025.

5 Fraser Institute, [Annual Survey of Mining Companies 2024](#), July 2025.

1 Competitive fiscal settings



Investment decisions for resources sector projects are made globally, with capital flowing to jurisdictions with the lowest costs, greatest policy certainty and most efficient regulatory systems.

This investment certainty is even more important for new and emerging industries which face greater uncertainty regarding future demand and prices.

The WA Government has several levers available to bolster the state's competitiveness and attract new investment.

A competitive royalty system, the provision of turnkey industrial areas, funding for research and commercialisation activities and efficient government fees and charges are all vital in keeping capital and operating costs low.

To ensure competitive fiscal settings, enhance the effectiveness of WA's Strategic Industrial Areas (SIAs) and support the critical minerals and green iron industries, CME recommends the WA Government:

- Reiterates its ongoing commitment to no new or increased taxes or royalties on the WA resources sector.
- Legislates amendments to the *Local Government Act 1995 (WA)* to clarify that land held under a miscellaneous licence is exempt from local government rates, ensuring the change is retrospective to reflect the original intention of the legislation.
- Considers opportunities for Local Government Area (LGA) boundary adjustments to remove the duplication of staff, service delivery mechanisms and infrastructure, while increasing the depth of talent pools for elected and non-elected LGA officials.
- Consults closely with industry to identify and develop core common user infrastructure in priority SIAs, using powers under the State Development Bill 2025 (WA) to speed up approvals. Priority SIAs are likely to include Kemerton, the Western Trade Coast (including Kwinana), Ashburton, Boodarie, Maitland and Oakajee.
- Uses its trade and investment functions to establish new critical minerals offtake and investment opportunities with existing and new trading partners.
- Explores reductions in royalty rates for critical minerals where local value-adding activities take place to incentivise downstream processing.
- Maintains green steel as a Focus Area for the Minerals Research Institute of Western Australia's (MRIWA's) activities and ensures that green iron is the primary focus of research to reflect WA's most impactful opportunity to support global decarbonisation.
- Reduces the royalty rate on value-added iron ore feedstocks like magnetite to reflect their high processing costs and nearer-term global decarbonisation benefits and includes green iron projects in the WA Government's Green Energy Approvals Initiative to support faster approvals for projects seeking to reduce net global emissions.
- Works with established and emerging trading partners to attract investment and offtake agreements in green iron demonstration, pilot and commercial plants to WA's Strategic Industrial Areas.

2 Access to resources



Timely and efficient access to land and resources remains fundamental to the global competitiveness of WA's resources sector.

Investors favour jurisdictions that provide industry with certainty of tenure and timely approvals processes, while meeting high environmental, social and governance (ESG) standards. Sustainable access to water and publicly available exploration data are also key drawcards.

The WA Government has committed to reducing approval timeframes and addressing tenure access concerns while continuing to invest in pre-competitive exploration data. Unfortunately delays, uncertainty around lease renewals and duplication between state and federal heritage regimes continue to impede development.

The ongoing de facto ban on uranium mining also limits WA's ability to support the energy transition and security of our trading partners and advance the state's economic diversification.

To improve access to WA's natural resources and further the sustainable development of our resources sector, CME recommends the WA Government:

- Undertakes an approvals 'time in motion study' to quantify the end-to-end length of the approvals process and identify focus areas to drive efficiencies.
- Develops state-based approvals KPIs and reporting mechanisms that deliver real-time performance data to allow tracking of end-to-end timelines, helping to ensure that WA timeframes become competitive compared to other jurisdictions.
- Implements significant outstanding recommendations made by the Vogel-McFerran Review, including partnering with the Department of Climate Change, Energy, the Environment and Water to ensure bilateral assessment arrangements support streamlined accreditation in WA and addressing duplication caused by the definition of 'social surroundings' across state legislative regimes.
- Urgently progresses the Mining Amendment Bill 2025 (WA) through Parliament to provide proponents with greater certainty of land tenure.
- Advocates to the Australian Government to secure procedural changes to the *Native Title Act 1993* (Cth) required to implement retrospective tenure validation.
- Ensures any policy, governance or process amendments implemented as a result of the WA Government's targeted review into Native Title and Aboriginal cultural heritage processes in WA's mining and exploration sector address impediments to project viability and are supported through adequate and sustainable funding.
- Reviews current processes and guidelines for the allocation and extension of water licences under the *Rights In Water and Irrigation Act 1914* (WA) to improve process efficiency and remove duplication across Part IV approvals.
- Increases funding for WA's Geological Data Transformation Program to deliver more consolidated and integrated datasets, deploy cutting-edge analytics, and develop a seamless, enterprise-grade platform for industry, government, and research bodies.
- Overturns the de facto ban on uranium mining in WA and proactively supports the development of the four WA uranium projects which held state environmental approvals in 2017 (Wiluna, Kintyre, Mulga Rock and Yeelirrie).

3 Energy security and transition



Reliable, cost-competitive and low emission energy is critical to the ongoing viability of WA's resources sector, underpinning existing operations, decarbonisation efforts and the growth of emerging industries such as critical minerals, green iron and hydrogen.

The WA Government and its entities have undertaken significant work over recent years planning for WA's future energy needs across the state. This includes intensive consultation regarding the transformation of the South West Interconnected System (SWIS), the development and release of a SWIS transmission plan, consultation on draft regulatory arrangements for a common-use electricity grid in the Pilbara, and exploration of a potential Goldfields Regional Network (GRN).

The WA Government has also recognised the importance of Carbon Capture, Usage and Storage (CCUS) as a decarbonisation pathway for hard-to-abate sectors, and is taking action to enhance WA's resilience to the physical impacts of climate change.

Despite these efforts, electricity costs in the SWIS continue to rise year on year, reliability issues persist in the Goldfields and commercial challenges remain for common-use infrastructure in the Pilbara. Member feedback indicates that total delivered prices of \$100/MWh or less are necessary for WA to compete with other jurisdictions. A focus on nearer-term actions is now required to progress investments that will improve reliability and certainty and reduce costs.

To deliver a low emission, reliable and cost-competitive WA energy system and support least-cost decarbonisation, CME recommends the WA Government:

- **SWIS:** Implements measures that provide near-term cost-relief to safeguard the viability of operations; provides further detail on the mechanisms to ensure a cost-effective transmission build out; prioritises improving reliability for existing and near-to-market projects; and provides estimates of future total delivered energy costs in the 2027 SWIS Whole of System Plan.
- **Goldfields:** Explores the viability of industry-led solutions to improve power reliability and availability in the Kalgoorlie-Boulder region; speeds up new generation and customer connection processes in the Kalgoorlie-Boulder region; and introduces a phased approach to the development of a Goldfields Regional Network, prioritising more certain, near-term opportunities for common-use infrastructure to minimise land use and reduce costs.
- **Pilbara:** Establishes a pragmatic, phased approach to the build out of common-use transmission corridors that prioritises investments with more certain, near-term demand and renewable energy supply (likely to be the Burrup (Murujuga) and Great Sandy Desert corridors); explores additional opportunities to de-risk the sizing of transmission infrastructure for future needs; and enhances its model for undertaking Traditional Owner negotiations and obtaining land tenure for priority transmission corridors.
- **CCUS:** Formalises a cross-government approach to progress CCUS projects, particularly those that could unlock decarbonisation in multi-emitter clusters, identifying measures to de-risk investments in common-use CCUS infrastructure.
- **Climate Change:** Works with industry and communities to update and issue a revised WA Climate Adaptation Strategy by end 2026. The Strategy should identify actions to improve resilience over the short, medium and long-term to protect communities and sustain business investment.



A skilled, productive and adaptable workforce is essential to the long-term strength and sustainability of WA's resources sector.

With a tight labour market and a growing pipeline of resources and renewable energy projects, industry and government must work together to address current and future skills shortages.

CME commends WorkSafe's constructive engagement with CME and the WA resources sector. However, several issues remain with the State's work health and safety (WHS) legal framework, including out-of-date codes of practice and inconsistent messaging and application of WHS laws by WorkSafe Mine Safety.

The WA resources sector already operates to high safety standards and it is vital that policy settings enable a risk-based, outcomes-focused approach that promotes continuous improvement and avoids unnecessary compliance burden.

To ensure WHS and workforce policies support safety excellence and a skilled, adaptable resources workforce, CME recommends the WA Government:

- Allocates sufficient resources to WorkSafe to boost policy development capacity and accelerate the revision and development of up-to-date, industry-specific codes of practice and guidance that are clear and concise.
- Invests in building a skilled and specialised WorkSafe Mine Safety inspectorate, and supports consistent interpretation and implementation of WHS laws across the sector.
- Supports the WA Minister for Industrial Relations and WorkSafe to work closely with Safe Work Australia to ensure that model WHS policy changes are risk-based and avoid the introduction of unnecessary regulatory overlap and burden on the WA resources sector.
- Continues to work with industry to improve processes for statutory position examinations including accessibility in regional areas and a commitment to industry invigilation post the transition deadline.
- Incentivises and funds TAFE to offer Recognition of Prior Learning (RPL) to enable accelerated apprenticeships as an attractive and achievable pathway to certified trade qualifications.
- Advocates to the Australian Government for an increase in WA's skilled migration allocation to better reflect the state's outsized workforce demands in support of the energy transition, as well as a comprehensive review of migration pathways to facilitate the timely transition of skilled migrants into licensed occupations.
- Commits to continue funding the Mental Awareness Respect and Safety (MARS) Program and improve governance, transparency and communications around MARS Program funding decisions and initiatives on offer.
- Removes all barriers limiting the resources sector's ability to directly access the Construction Training Fund, including reforming the legislative and policy framework.



Adequate and accessible economic and social infrastructure across regional WA is essential to safeguarding the state's prosperity.

Reliable, affordable utilities including energy, water, gas and waste services, together with efficient freight, logistics and transport networks across road, rail, air, ports and pipelines are critical to supporting industry and communities. Equally, social infrastructure such as affordable housing and accessible Early Childhood Education and Care (ECEC) underpins workforce participation and regional liveability.

CME welcomes the WA Government's 2025-26 Budget measures aimed at addressing some of these constraints, including investment in the Goldfields and Agricultural Region Water Supply Scheme, increased regional port capacity and the release of additional serviced residential land.

However, substantial additional investment is needed to meet demand, reduce costs and build climate resilience across key transportation routes.

To unlock trade and investment opportunities across the breadth of regional WA, CME recommends the WA Government:

- Works with industry and freight operators to identify key road corridors vulnerable to isolation during extreme weather events and dedicates funding for ongoing maintenance, rapid repairs and infrastructure upgrades to ensure reliable year-round access.
- Commits additional funding to improve the resilience of the Great Northern Highway and increases the number of overtaking lanes to improve safety on key road freight corridors.
- Identifies bottlenecks at regional ports and expands capacity through new berths, driving efficiencies at common-user facilities, developing additional storage and laydown capacity and activating port-adjacent land to support industrial growth and freight handling.
- Funds sealed quarantine-compliant laydown areas to support biosecurity and multi-user logistics at the Ports of Broome and Wyndham.
- Identifies and implements a pipeline of reliable and scalable water infrastructure initiatives such as stormwater harvesting, recycling and desalination across WA's regions.
- Fast-tracks the release of serviced land developments in high-demand regional areas supported by planning reforms and developer incentives.
- Lifts housing completions and reduces trade shortages in regional areas through targeted migration measures and incentives to attract and retain workers and apprentices.
- Incentivises high and medium density developments and infill through further regional planning reform.

Level 13, 225 St Georges Terrace, Perth WA 6000
Locked Bag N984, Perth WA 6844

Tel: +61 8 9220 8500

Email: chamber@cmewa.com

Website: www.cmewa.com.au