

# MEDIA RELEASE

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## **BHP CHAIRMAN CONFIRMS ANDEV WARNING ON AUSTRALIAN MINING**

BHP Billiton Chairman Jac Nasser has confirmed what Australians for Northern Development and Economic Vision has been saying for over eighteen months, according to John Shipp, Director of the ANDEV/IPA North Australia Project.

At an Australian Institute of Company Directors lunch in Sydney yesterday, Mr Nasser described Australia as “one of the higher-cost countries in the world” for mining. He warned that if input costs in the resources sector remain high and the regulatory environment uncertain, BHP would move investment offshore.

‘When the chairman of the world’s largest mining company says that costs in Australia are too high and BHP Billiton will consider moving investment overseas, you have to take the problem seriously’, Mr Shipp said.

Other leaders in the resources sector, including ANDEV Co-Chairman Gina Rinehart, have sounded the same warnings for over eighteen months, Mr Shipp said.

‘For instance in her speech at the Telstra Business Women’s Awards speech in October 2010 Mrs Rinehart warned of the competition Australia faced from other regions in the world competing with Australia for investment. She said at the time ‘West Africa is not the only low cost region where investment is happening and which will provide Australia with increased competition in the near future.’

‘To provide a better environment for investment, the government has to start by getting rid of the carbon tax and the mining tax. Industrial relations must also be reformed,’ Mr Shipp said.

‘The Treasurer, Mr Swan, must stop attacking the entrepreneurs who help the Australian economy grow. It is significant that the BHP Billiton Chairman singled out Mr Swan's recent attacks on mining leaders as something which was undermining overseas investors’ confidence in Australia.

‘The government has to start listening to these warnings, or else instead of a two-speed economy Australia will be facing a no-speed economy.

‘We have to turn our attention to the opportunities for development that exist in North Australia through policy ideas such as a low-tax, low-regulation Special Economic Zone,’ he said.

The North Australia Project is a joint project of Australians for Northern Development and Economic Vision and the Institute of Public Affairs.

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