

INDUSTRY GROWTH PROGRAM

Headline Statement

- The Government launched the Industry Growth Program on 27 November 2023, to support innovative Australian startups and small and medium enterprises (SMEs) to commercialise their ideas and grow their operations.

Key Points

- The Industry Growth Program provides business advice services for innovative SMEs and startups, and matched grant funding between \$50,000 and \$5 million.
- Supporting projects under National Reconstruction Fund priority areas, the Industry Growth Program helps to expand the pipeline of businesses working to transform and diversify Australia's economy.
- Funding for the program is \$392.4 million over four years from 2023-24, and \$68.2 million ongoing. This is a combination of administered and departmental funds.

Policy Commitments

- **Advisers:** Startups and SMEs receive access to advice from a national network of business growth and commercialisation advisers.
 - The department released a request for tender on 19 July 2023 which closed on 16 August 2023. The department selected 19 successful tenderers to fill adviser roles.
 - Eight adviser contracts were executed in December 2023 and 11 adviser contracts were executed on 8 January 2024. Details of the adviser contracts (including their remuneration) is located on AusTender.
 - Differences in remuneration reflect different levels of experience, expertise (e.g. some are former company CEOs) and oncosts (such as insurance, equipment, telecommunications, marketing and other expenses).
- **Executive Director:** David Chuter was appointed as Executive Director for the Industry Growth Program on 16 October 2023. This is a new Senior Executive Service (SES) position in the department.

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- **Advisory Service:** The program launched the advisory service component on 27 November 2023.
 - The IGP Advisory Service has received strong interest from applicants. Delivery of services has commenced. Advisers contacted the first cohort of approved applicants in December 2023.
- **Industry partner organisations:** The program will offer specialised sectoral expertise and advice through engaging industry partner organisations. Offering combined sources of advice is designed to strengthen support to startups and SMEs, building stronger industry connections and commercially viable growth propositions.
 - A call for Expressions of Interest to be an industry partner organisation occurred on 5 February and will close on 16 February. Successful EoIs will be invited to submit a full application on 26 February 2024.
- **Grant component:** Eligible startups and innovative SMEs with commercialisation and growth projects can receive matched grants, ranging from \$50,000 to \$5 million.
 - Grants are due to launch in early 2024.
- **Independent Assessment Committee:** A new committee will be established under Industry Innovation and Science Australia (IISA) to undertake a strategic investment role in recommending grant funding for startups and innovative SMEs that meet the program's eligibility and merit-based selection criteria.
 - s47E(d)
- **Program consultation:** The department conducted a public and targeted consultation process with stakeholders in the startup and innovation ecosystem. The department's consultation hub accepted submissions from 28 June 2023 until 30 July 2023. A total of 218 submissions were received through the online consultation hub or directly via email. In addition, the department spoke to and received feedback from stakeholders between June 2023 and August 2023. The feedback informed the detailed design of the Industry Growth Program.

EP CLAIMS UPDATE

Headline Statement

- The department has received 16 claims for compensation following the release of Auditor-General Report No.42 2021–22, Procurement of Delivery Partners for the Entrepreneurs' Programme.

Key Points

- As of 2 January 2024, 14 claims have been received under the *Government Procurement (Judicial Review) Act 2018* (GPJR Act).
- Eleven GPJR Act claims have been finalised, with the remaining three under assessment.
- As of 2 January 2024, two claims have been received through the Scheme for Compensation for Detriment caused by Defective Administration (CDDA Scheme).
- One has been resolved, with the remaining claim under assessment.
- Given the claims process is ongoing it would be inappropriate to provide further details including the monetary value of claims as some claim deeds contain confidentiality clauses.
- s42(1)
- Several allegations relating to the EP procurement process were raised at the Senate Estimates hearing in October/November 2023. The department took these allegations as questions on notice and responded in SQ23-000331, SQ23-000391, SQ23-000415.

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- The department has been processing claims for just over one year. We acknowledge the time taken but note this is a complex process involving the receipt of claims under two compensation mechanisms and the need for the department to take appropriate steps to manage the expenditure of public funds.

Policy Commitments

- The department accepted all the recommendations in response to the Auditor-General report and commenced a program of work to implement a more comprehensive and rigorous probity framework and capability uplift.

Background

- The Australian National Audit Office (ANAO) released its performance audit on the Procurement of Delivery Partners for the Entrepreneurs' Programme (the procurement) on 24 June 2022. The ANAO found the procurement did not comply with the Commonwealth Procurement Rules.
- On 18 August 2022 the department invited unsuccessful tenderers to a debrief with the department's relevant senior executives regarding the procurement.
- All unsuccessful tenders were informed that if they wished to submit a claim for compensation under the *Government Procurement (Judicial Review) Act 2018* they may do so directly to the department.
- Compensation under the GPJR Act is limited to reasonable expenditure incurred in preparing a tender and the cost of making and seeking to resolve a complaint. ^{s42(1)}
- Nineteen unsuccessful tenders accepted the invitation for a debrief. Debriefs commenced on 22 September 2022 and all debriefs have been completed.

NATIONAL CONSTRUCTION CODE 2022 DELAYS

Headline Statement

- States and territories are each responsible for decisions around the extent and timing of adopting new provisions in the National Construction Code (NCC).
- We note jurisdictions' decisions to phase-in their implementation of NCC 2022.
- We continue to work with all jurisdictions to get the best possible improvements to Australian homes as quickly as we reasonably can.

Key Points

- The Commonwealth, through the Australian Building Codes Board (ABCB), supports the development of the NCC to enable standardisation and consistency of building standards across the country.
- The Commonwealth and ABCB work in close partnership with the states and territories – but the ultimate decision around adopting new provisions is made individually by each jurisdiction.
- While some commercially-developed compliance tools are still going through final assessment, there are fully-approved compliance tools available, and some of these have been available for more than 12 months now.

Policy Commitments

- The Trajectory for Low Energy Buildings is a national commitment, by all governments, to improve the long-term energy efficiency of our new buildings.

[IF PRESSED on delays in NatHERS tool availability]

- The NatHERS benchmark tool, AccuRate, which is developed by CSIRO, has been fully available for use since May 2023.
- A second tool, BERS Pro, which is commercially developed, was fully accredited for use in December 2023.
- The ABCB's own step-by-step provisions, also known as the "elemental provisions" have also been available since September 2022.
- The tools still being assessed for final accreditation, FirstRate5 and HERO, are commercially developed. We cannot control how quickly these tools are developed and ready for use, although it is understood full accreditation will be sought in early 2024.

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Background

- **Key sensitivity:** In September 2023, the ACT and QLD both deferred commencement of the new NCC 2022 residential energy efficiency provisions until early 2024 – citing delays in readiness of the preferred NatHERS commercial tools as a key reason for the delay.
- NSW proceeded with implementation from 1 October 2023 – using a compliance tool (BASIX) solely developed for use in NSW.
- The 2022 update of the National Construction Code includes improvements to residential energy efficiency – with new houses and apartments targeting a 7-star energy rating for thermal performance along with a whole-of-home energy use budget to promote energy efficient key appliances, like hot water and home heating and cooling.
- NCC 2022 also includes new provisions requiring improvements in critical accessibility features to make future Australian homes more liveable for people with mobility constraints. These are low-cost essential features, like having at least one step-free entry to the home, a toilet on the entry level, and toilet and bathroom walls reinforced to make the future installation of handrails cheaper and easier.
- In response to advocacy from peak bodies, raising concern about industry readiness and general economic pressures in the building industry, state and territory governments have deferred the commencement of some of these new provisions.
- One of the key areas of industry concern is the reported delay in availability of commercially-developed NatHERS tools that support compliance with the new energy efficiency provisions. NatHERS is used in all states and territories, although NSW only relies on NatHERS tools that can produce thermal performance star ratings (i.e. not whole-of-home assessments).
- NatHERS is a sophisticated energy-efficiency design and assessment tool for homes. It allows a detailed and bespoke assessment to be made of each new home – and helps designers find the best ways to improve the energy performance of a new home at the design stage.
- While it is true that some commercially-developed tools are still under final development and assessment – the core compliance tools are available and have been for several months.
- The NatHERS benchmark tool, AccuRate, has been available in full regulatory mode since May 2023.
- The ABCB’s “elemental provisions”, effectively the simplest step-by-step form of compliance, have been available on the ABCB website since September 2022.
- While we encourage innovation and the development of commercial tools to support compliance – it is essential that we continue progress to improving the energy efficiency of new Australian buildings.

AUSTRALIAN MADE BATTERY PLAN

Headline Statement

- Global demand for batteries is expected to increase 18-fold by the end of the decade. The Government is delivering the Australian Made Battery Plan (the Plan) to ensure Australia can capture economic opportunities from this demand and diversify globally concentrated supply chains.

Key Points

- The National Battery Strategy is under development. To date the department has engaging industry, academia, unions and state and territory governments to via:
 - The release of a public issues paper from 3 February to 17 March 2023 to shape the Strategy's recommendations, with 132 submissions received.
 - Stakeholder roundtables on 14 March 2023 and 18 January 2024.
 - The National Science and Technology Council on 29 November 2023
 - A senior officials meeting on 18 January 2024 with state and territory governments.

Policy Commitments

- Under the Plan, the Government has committed to:
 - Publish the National Battery Strategy, to guide governments and industry towards a shared vision of a diverse and competitive battery industry.
 - Establish the Australian Made Battery Precinct, committing to invest up to \$100 million in equity in collaboration with the Queensland Government.
 - Implement the \$14.8 million Powering Australia Industry Growth Centre to support businesses to locally manufacture renewable technologies and commercialise local ideas.
- Further, the Government has committed \$5.4 million to establish the *Battery Supply Chain and Research Working Group* with the United States Government. The Working Group will support increased bilateral cooperation on battery supply chains, manufacturing capabilities, and research and development.

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Background

National Battery Strategy (The Strategy)

- The Strategy will draw on Australia's strengths, matched to our mineral availability, manufacturing capacity and local and global demand for products.
- The Strategy will signal to international partners that Australia is open for investment and ready to play a role in diversifying global supply chains.

Australian Made Battery Precinct (The Precinct)

- The department is working with the Queensland Department of State Development and Infrastructure to progress the Precinct between governments. Investment decisions regarding the Precinct are a matter for both governments.
- The Precinct will bring together industry and academia to create national manufacturing scale and leverage the benefits of collaboration. A Precinct can achieve cost savings on logistics and materials, aid knowledge transfers and the sharing of infrastructure to reduce waste.

Powering Australia Industry Growth Centre (the Growth Centre)

- The Growth Centre will support Australia's renewables technologies industry and establish Australia as a leader in renewables technologies. The Growth Centre will:
 1. Help businesses to locally manufacture renewable energy technologies and commercialise local ideas.
 2. Encourage connections between critical minerals producers and renewables manufacturers.
 3. Hire a First Nations Advisor to build First Nations business management capabilities.
- An Expression of Interest to deliver the Growth Centre was open for submissions between 22 May to 19 June 2023 and received 33 applications. Eligible applicants were then invited to participate in a second stage, from 2 to 29 August 2023. Applications were reviewed by an Independent Assessment Committee on 19 October.
- The outcome of the Growth Centre process will be announced by the Government in due course.

MAJOR PROJECTS FACILITATION AGENCY

Headline Statement

- To meet growing demand from industry, the Major Projects Facilitation Agency (MPFA) is constantly improving to provide better and more agile services.

Key Points

- In September 2023, we introduced changes to the way applications are managed.
- This has resulted in a faster assessment and streamlined application experience for proponents.
- Once an application has been formally submitted by a proponent, our commitment is to process it within 50 business days, including:
 - Initial MPFA assessment (20 business days)
 - Engage with regulators for feedback (20 business days)
 - Provide a brief to the Minister for Industry and Science, who is the decision maker, to consider (10 business days).
- Since these changes were implemented, one application has been assessed within 49 business days (as at 31 December 2023).
- We are continuously improving and have recently launched a streamlined application form.
- Where applications have taken significantly longer than 50 business days to process for decision, this was in part due to:
 - Periods of time where the agency awaited information from an applicant; and
 - Draft applications that were never finalised by the applicant.

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Background

- The MPFA supports the Australian Government's objectives of economic growth, job creation, and industry development by providing regulatory facilitation services to project proponents that have complex regulatory approvals.
- The MPFA assists project proponents across Australia by:
 - Providing facilitation services and engaging Commonwealth regulators, mapping regulation requirements and guiding proponents through any hurdles; and
 - Providing help tools and resources on our website to help business self-identify regulatory needs.
- MPS does not pre-empt or guarantee that a project will receive a regulatory approval, nor does it influence the outcomes of competitive processes. Proponents must still meet the requirements of the relevant Australian Government regulatory, grant or funding approval processes.
- The MPFA provides extra support and co-ordinated approvals to projects that the Minister for Industry and Science determines meet the following eligibility criteria for Major Project Status (MPS):
 - The project is of strategic significance to Australia with a capital investment of more than \$50 million;
 - Faces complex regulatory approvals; and
 - Has sufficient financial resources and is commercially viable.
- The MPFA introduced changes in September 2023 to streamline the MPS assessment process.
- Key statistics:
 - The MPFA is providing facilitation services to 19 MPS projects (as at 31 December 2023).
 - The MPS projects industry sectors are: (7) critical minerals, (4) renewable energy, (2) oil and gas, (2) agriculture, (2) batteries, (1) advanced technology, (1) metal ore.
 - MPS projects by state: (9) Western Australia, (3) Northern Territory, (3) New South Wales, (3) Victoria, (1) South Australia.
 - In total, the MPS projects are worth around \$133 billion in CAPEX and plan to create approximately 10,000 ongoing jobs.

NATIONAL RECONSTRUCTION FUND

Headline Statement

- The Government has delivered on its commitment to establish the \$15 billion National Reconstruction Fund (NRF).

Key Points

- The *National Reconstruction Fund Corporation Act 2023* (the Act) commenced on 18 September 2023, establishing the NRF Corporation (NRFC) and allowing the Board to meet for the first time.
- The NRFC can now invest following issue of the NRF Investment Mandate (IM) by Government on 29 November 2023. The IM sets out clear expectations from Government including priority areas for investment and rate of return.
- There continues to be strong interest in the NRF, with the NRFC actively talking to people seeking investment. From 30 October 2023 to 15 January 2024, the NRFC advised receipt of 113 investment-related enquiries.
 - Businesses can get in touch with the NRFC via the contact us page on their website, with the option to indicate they are seeking an investment. The NRF does not have fixed funding rounds or closing dates; businesses can approach the NRFC with their proposals at any time.
 - On 23 January the NRFC published their investment guidance and launched a new webform that companies can use to provide their detailed proposals.
 - Further questions in relation to NRFC status and enquiries should be directed to the NRFC.
- On 1 February 2024, the Minister for Finance and the Minister for Industry and Science announced Mr Ivan Power as CEO of the NRF Corporation. The independent Board selected Mr Power as the ideal candidate following a competitive recruitment process managed by Johnson Partners, an executive search firm.

Policy Commitments

- The 2023-24 Budget funded the NRFC to diversify and transform Australia's industry, create secure, well-paying jobs, and boost sovereign capability.
- The NRF will enhance Australia's resilience by strengthening manufacturing capabilities, improve Australia's ability to capture value adding opportunities, create secure jobs and support the commercialisation of Australian ideas.

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Background

- Following commencement of the Act, **the Board is now responsible for the NRFC.**
- The independent NRF Board will make investment decisions to provide finance (debt and equity) for Australian based investments in seven government identified priority areas of the economy.

NRFC and the 2023-24 Budget

- The **2023-24 Budget** provided \$5 billion for investment on commencement of the Act. The first \$5 billion has been deposited into the special account. A further \$10 billion is to be credited to the NRFC by 2 July 2029.
- The budget also included \$61.4 million over four years from 2023–24 (and \$1.2 million per year ongoing) to establish the NRFC. This comprises:
 - \$53.2 million in 2023-24 for the establishment and operational costs of the NRFC. This funding enables the NRFC to recruit staff, generate an investment pipeline and invest quickly while it works towards earning a positive rate of return. NRFC funding in 2024-25 and 2025-26 is not for publication due to commercial sensitivities.
 - \$8.2 million over four years from 2023-24 (and \$1.2 million per year ongoing) for DISR to assist and support the establishment and oversight of the NRFC.

NRFC appointments

- NRFC Board members are **statutory appointments** made by the Minister for Finance and the Minister for Industry and Science. The inaugural NRF Board was announced on 9 August 2023, comprising a Chair and seven members. An additional ninth Board member was announced on 20 October 2023.
 - The Government conducted a rigorous process to find the best candidates, considering skills and experience against the requirements of the Act.
 - The Board comprises: Mr Martijn Wilder AM (Chair); Mr Ahmed Fahour AO; Dr Katharine Giles; The Hon Kelly O'Dwyer; Mr Daniel Petre AO; Ms Kathryn Presser AM; Ms Karen Smith-Pomeroy; Mr Glenn Thompson and Mr Daniel Walton.

CEO remuneration

- The Assistant Minister for the Public Service designated the NRFC CEO a Principal Executive Office (PEO) Band E.
- The Remuneration Tribunal has prescribed a remuneration range for Band E PEOs of 'from \$609,110'.
- The *Remuneration Tribunal Act 1973* provides the Board may determine the terms and conditions (including remuneration and allowances) that apply to the CEO. These must be consistent with terms and conditions determined by the Tribunal.

NRFC legislative framework.

- The NRFC's independent Board will make investment decisions in accordance with the Government's priorities as set out in the suite of NRF legislation:
 - the Act (received Royal Assent on 11 April 2023);
 - *National Reconstruction Fund Corporation (Priority Areas) Declaration 2023*, (a disallowable instrument tabled in both houses of Parliament on 13 June 2023);

- *National Reconstruction Fund Corporation (Investment Mandate) Direction 2023*, (non-disallowable registered on 29 November 2023).
- The **seven government identified priority areas** for investment are: renewables and low emissions technologies; medical science; transport; value add in agriculture, forestry, and fisheries sectors; value add in resources; defence capability; enabling capabilities. The Government is also working with industry to develop co-investment plans that identify high level investment opportunities and broader reforms to support growth across these priority areas.
- The Government specified in the NRF investment mandate, **target investment levels** for \$8 billion of NRF finance for the following areas: up to \$3 billion for renewables and low emissions technologies; \$1.5 billion for medical manufacturing; \$1 billion for value adding in resources; \$1 billion for critical technologies; \$1 billion for advanced manufacturing; and \$500 million for value adding in agriculture, forestry, fisheries, food, and fibre.

AUSTRALIAN SPACE AGENCY

Headline Statement

- The Australian Space Agency contributes to economic growth, productivity and job creation for Australians through access to the global space economy.

Key Points

- The Albanese Government reaffirmed the role of the Australian Space Agency in the 2023-24 Budget. The Agency advances Government objectives through five priority activities.
- Lead policy and coordination of civil space activities across government:
 - Ensuring Australia can access and realise the opportunities of space to help address critical issues on Earth, including climate change, productivity and national security.
 - This involves coordination across the 27 Australian Government agencies that use space services and technology to improve the lives of Australians or keep them safe.
 - As the largest and broadest user of space systems in Australia, the Agency works very closely with the Department of Defence. This includes Agency provision of advice on Defence space policy development and capability processes to support a nationally unified and coherent approach to military and civil space activities.
- Shape and grow national space capability, including delivery of programs:
 - Delivering over 60 space sector-facing procurements and grants, including one of Australia's most ambitious robotics programs to design and build the first Australian rover to operate on the Moon as part of the United States Artemis Program.
- Use space to support foreign policy objectives:
 - Collaborative space investment initiatives with priority international partners such as India and the UK, focused on space infrastructure and manufacturing.
- Regulate a responsible space sector:
 - Proactive ongoing improvements to the regulations, guidance and stakeholder engagement in administering the *Space (Launches and Returns) Act 2018*, to minimise unnecessary regulatory burden, while achieving the objectives of the Act.

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- Promote the value and benefits of space, including to inspire a highly skilled workforce of the future:
 - Inspiring a space workforce through programs focused on diversity and skills, including the Kids in Space program delivered to 240 classrooms and over 9,000 school students and hosting over 43,000 visitors to the Australian Space Discovery Centre in 2023.
- The space industry can seek to access the \$15 billion National Reconstruction Fund and the \$392 million Industry Growth Program.
- The Australian Civil Space Strategy 2019-2028 was published on 1 April 2019 and can be found on the Department of Industry, Science and Resources' website. This plan was published before May 2022 under the previous Australian Government. It is standard practice following a changeover in Government for such plans to remain publicly available.

NSMEO – space relationship with the United States (US)

- Termination of the National Space Mission for Earth Observation was managed within Australia's broader Alliance relationship.
- We continue to cooperate with the US on a range of space programs, including to the benefit of Australian industry.
- One key activity is negotiation of a Space Framework Agreement treaty, which will provide an overarching framework to unlock greater bilateral government and industry collaboration, supporting interoperability of our space sectors.

Technology Safeguards Agreement and Technology Transfer from the US

- The Technology Safeguards Agreement (TSA) between Australia and the US was signed on 25 October 2023. A TSA is a US requirement for the launch and return of US spacecraft in countries outside of the US.
- The TSA strengthens Australia's long-standing partnership on space with the US and will create opportunities for Australian companies to benefit from increased US spaceflight to and from Australia.
- The treaty is still subject to domestic treaty-making process. Tabling in Parliament is expected on 26 February 2024, with entry into force in the second quarter of this year.
- The AUKUS Tech Transfer arrangements do not impact on the TSA.
 - Questions on tech transfer reform should be directed to the Department of Defence.

LARGE INDUSTRIAL CLOSURES

Headline Statement

- The government takes a strong interest in business conditions including large industrial closures.

Key Points

- Businesses close, restructure, or are sold for a number of reasons, including market conditions, input and operating costs, ageing facilities, and changes in consumer demand.
- In some cases workers are able to retain their jobs (e.g. under a change in ownership); remain working in other aspects of the business; or can be redeployed to other facilities.
- The government has an existing set of tailored support measures to help retrenched workers:
 - All retrenched workers and their partners have access to employment services support through Workforce Australia. Job seekers can receive help with finding a job, starting a business, identifying their skills and attributes, training, writing job applications and interview tips and techniques.
 - DEWR's Transition Support Network ensures employers and workers understand their rights and obligations during redundancy and receive information about the services available to them.
- Where there are significant regional impacts and worker redeployment challenges, the government may consider the development of appropriate, targeted responses.

Policy Commitments

- The Net Zero Economy Authority (NZEa) will support workers impacted by the net zero transition, particularly workers in coal-fired power stations and dependent mines, to transition to new employment and other opportunities. Questions should be directed to NZEA.

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Background – recent large closures, potential closures and curtailments

This list is not exhaustive. Examples were selected based on potential impact (jobs at risk, location, sector) and public and media interest.

Date	Company	Location	Industry	Approx. jobs*	Description
Aug 2023	Sorbent	Melbourne, VIC	Manufacturing (paper)	70 jobs	Sorbent is shifting some processes from its Box Hill facility to Indonesia. The Box Hill and Greystanes facilities will continue operating at reduced sizes.
Sep 2023	Molycop	Newcastle, NSW	Manufacturing (steel)	550 jobs	Molycop announced a restructure to focus on value-added products, services and technology, putting its Waratah steelmaking operations into care and maintenance. Approx 290 jobs will be retained.
Oct 2023	Glencore	Mount Isa, QLD	Mining (copper, zinc)	1,200 jobs	Glencore's copper and zinc operations in and near Mount Isa will close in late 2025 due to end of mine life and ageing infrastructure. Refinery and smelters will remain open. The Queensland Government is providing a \$50 million worker support package.
Oct 2023	Sara Lee	Lisarow, NSW	Manufacturing (food)	200 jobs	The Australian and New Zealand arm of Sara Lee entered voluntary administration, citing high operating costs and supply chain issues. In January 2024, administrators announced Sara Lee was sold as a going concern.
Nov 2023	CBH Resources	Broken Hill, NSW	Mining (lead, zinc, silver)	200 jobs	CBH Resources announced its Rasp mine will move to a staged closure during 2023-24, with CBH's parent company Toho Zinc not in a position to further develop the mine.
Nov 2023	Far Northern Milling	Mossman, QLD	Manufacturing (sugar)	124 jobs	Far Northern Milling, operators of the Mossman Sugar Mill, entered voluntary administration, citing low revenue and financial distress as well as issues with sugar cane crop yields and quality. Administrators will provide an update in mid-February 2024.
Nov 2023	Tritium	Brisbane, QLD	Manufacturing (EV chargers)	400 jobs	Tritium announced it will close its Brisbane factory, consolidating manufacturing in the US. It will retain its Brisbane R&D facility and staff.
Jan 2024	Alcoa	Kwinana, WA	Manufacturing (alumina refining)	1,000 jobs	Alcoa will cease production at its Kwinana refinery by Q3 2024, citing ageing infrastructure, operating costs, bauxite grades, and market conditions. Alcoa will retain the site but reduce the workforce to approximately 50 by Q3 of 2025. Alcoa's nearby Pinjarra and Wagerup facilities will continue operating and staff may be redeployed to these sites where possible. (QB24-000017 refers)
Dec 2023 to Jan 2024	Various, e.g. Wyloo, IGO, Ravensthorpe	WA	Mining (nickel)	1,400 jobs	Several WA nickel mines have closed or curtailed operations due to global price declines. Federal and state ministers have met with industry leaders to discuss options including incentives and changes to state royalties.

* This number reflects jobs at the facility or business, not necessarily the number of jobs lost or at risk.

REFRESH OF NATIONAL SCIENCE AND RESEARCH PRIORITIES

Headline Statement

- New National Science and Research Priorities (the priorities) and a new National Science Statement (the statement) are being finalised after extensive consultation led by Australia's Chief Scientist, Dr Cathy Foley, and the department in 2023.

Key Points

- The statement will outline the government's vision for science.
- The priorities will give clarity on the areas government considers important and help encourage activity and growth in these areas.
- Together they will set a long-term direction for Australia's science system, setting up science to support innovation, power new industries and strengthen international partnerships in the Asia Pacific region.
- The published priorities and statement will be based on extensive consultation, including roundtables in every state and territory, and close to 500 written submissions from two rounds of consultation.

Policy Commitments

- The Australian Government released Terms of Reference for the revitalisation of the priorities and statement on 24 November 2022.
- The Terms of Reference state that government has committed to develop a national policy framework that embeds science into government decision making and better align efforts and investment in science to deliver social, economic and environmental benefits for all Australians.
- The Terms of Reference also state that the statement will consider how to address areas such as the importance of scientific advice to inform decision making – ensuring appropriate mechanisms for providing government with independent, expert scientific advice.

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Background

- The revitalisation was announced by the Minister for Industry and Science on 27 September 2022 with an aim to finalise within 12 months.
- A taskforce was established within the department to deliver the revitalisation of the National Science and Research Priorities and National Science Statement (as well as the Pathway to Diversity in STEM Review).
- Australia's Chief Scientist, Dr Cathy Foley, led a national conversation during 2023 to inform the development of the priorities and statement.
- The first phase of public engagement ran from 23 February to 6 April 2023 and focused on identifying national challenges and opportunities that science has a role to address.
- This phase included 30 virtual and in-person roundtable events held around Australia with key stakeholders from science, research, government, higher education, industry, and community groups.
- It also included an online consultation, which received 312 submissions. Non confidential ones have been published.
- Following this first phase of engagement, the department developed a list of draft priorities in consultation with select stakeholders, including the learned academies, university groups, First Nations representatives, the National Science and Technology Council, state and territory chief scientists (Forum of Australian Chief Scientists), Australian government departments and agencies with science capability (Government Scientists Group).
- The draft priorities were published for consultation on 7 September and closed 29 September 2023. They included:
 - Ensuring a net zero future and protecting Australia's biodiversity
 - Supporting healthy and thriving communities
 - Enabling a productive and innovative economy
 - Building a stronger, more resilient nation.
- The consultation also invited input to inform development of the National Science Statement.
- The department received a total of 170 written submissions. Non confidential submissions will be published in due course.
- When published, the priorities and statement will replace the outdated 2015 priorities and 2017 statement.
- As at 31 Dec, the number of ASL in the taskforce is 11.80.

INDEPENDENT REVIEW INTO DIVERSITY IN STEM

Headline Statement

- The Minister for Industry and Science released the Pathway to Diversity in STEM Review Final Report on 13 February 2024.

Key Points

- The Final Report contains 11 recommendations, that together, aim to drive systemic and cultural change to make STEM education and careers more accessible for underrepresented cohorts. The recommendations cover four areas:
 - Government coordination and leadership to increase diversity in STEM in all sectors.
 - Creating safe and inclusive workplaces by eliminating bullying, harassment and discrimination, and meaningfully increasing diversity and inclusion efforts.
 - Improving lifelong learning opportunities in STEM, including through schools and higher education pathways, including VET.
 - Changing perceptions of STEM careers and valuing diverse knowledges, including elevating First Nations Knowledges.
- The report includes a strategy to improve design and delivery of programs that support diversity in STEM, and build on the current Women in STEM programs.
- The Independent Panel developed the recommendations by drawing on:
 - Twelve months of engagement, including interviews, workshops and three phases of national public consultation, and
 - An independent program evaluation and research commissioned by the Australian Government.
- The panel's recommendations include actions for industry and the academic sector to take, as well as actions for government (Australian, state and territory).
 - The report's Message from the Panel makes clear "industry and academia will benefit from a diverse STEM workforce, so they must play a role alongside governments."

Policy Commitments

- The Government is preparing its response, to be released in due course.

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Background

- On 24 November 2022, the government announced an independent expert panel for the review. Members included: Sally-Ann Williams, Mikaela Jade and Dr Parwinder Kaur.
- Over a 12-month period, the review examined how policies and programs help overcome barriers faced by historically underrepresented groups in STEM.
- The panel invited public conversation over three phases between March and September 2023. This included 251 participants contributing 510 hours to interviews, workshops and meetings, and 300 written submissions.
- The panel also drew on research commissioned for the review, including:
 - Australia's Women in STEM Ambassador's research on workplace initiatives to increase diversity in STEM.
 - The Big Mob: STEM it Up research project, led by Associate Professor Marnee Shay, on barriers and opportunities for First Nations people in STEM.
 - Research commissioned by the Office of the Chief Scientist for the National Science and Technology Council - Science and Technology Australia's STEM Career Pathways Major Research Report and Australian Council of Learned Academies' Modernising Research Metrics report.
- The review panel provided 11 detailed recommendations across 4 areas:
 - Government coordination and leadership:
 - : The government establishing a dedicated advisory council to increase diversity and inclusion in STEM, and a suite of impactful diversity in STEM programs.
 - Creating safe and inclusive workplaces:
 - : STEM organisations committing to eliminate workplace bullying, harassment and discrimination, and increasing attraction, retention and promotion of diverse STEM workers.
 - : The government changing grants and procurement processes to incentivise workplace actions, and addressing barriers faced by STEM migrants.
 - Lifelong learning:
 - : Governments working together to improve participation and achievement in STEM education and supporting educators to engage diverse cohorts in STEM.
 - : Governments working together to ensure national tertiary education reforms include a focus on underrepresented cohorts in STEM education.
 - Changing perceptions and valuing diverse knowledge:
 - : The government developing a strategy to increase visibility and importance of diversity in STEM careers, and developing better practices to elevate First Nations Knowledges, and support First Nations scientists and researchers.

SAFE AND RESPONSIBLE AI

Headline Statement

The Government is taking action to ensure the design, development and deployment of Artificial Intelligence (AI) in legitimate, but high-risk settings is safe and can be relied upon, while ensuring AI in low-risk settings can continue largely unimpeded.

Key Points

Safe and Responsible AI in Australia – Government response

- Responses to the *Safe and Responsible AI in Australia* highlighted that AI systems and applications are helping to improve wellbeing, quality of life and grow our economy.
- However the current regulatory framework likely does not sufficiently address known risks presented by AI systems, which enable actions and decisions to be taken at a speed and scale that hasn't previously been possible, particularly in high-risk settings.
- The government response, published 17 January 2024, outlines the work on AI is transformative, with the government's focus on ensuring the development and deployment of AI in high-risk settings is safe and reliable, and use in low-risk settings can continue to flourish unimpeded. It outlines work on:
 - Preventing harms from occurring through **testing, transparency, and accountability** measures (e.g. options for mandatory guardrails, development of safety standards)
 - Clarifying and strengthening laws to safeguard citizens (e.g. privacy, online safety)
 - Working internationally to support the safe development and deployment of AI
 - Maximising the benefits of AI (e.g. the need for an AI investment plan).
- Work has commenced with industry to address AI in high-risk settings through:
 - Developing a voluntary AI Safety Standard through the National AI Centre (NAIC);
 - Developing options for voluntary labelling and watermarking of AI-generated materials;
 - Establishing a temporary expert advisory group to provide advice on options for further AI guardrails in high-risk settings.

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- Work is underway to develop options for mandatory guardrails, as well as laws that may need to be strengthened. ‘High-risk’ applications of AI will also be defined through this work. It will focus on AI in settings that are legitimate, with positive impact (e.g. in healthcare) but could also generate systemic harms.
- Outcomes from this initial tranche of work is expected in May 2024.

International engagement on AI

- Minister Husic represented Australia at the AI Safety Summit in the UK in November 2023, where Australia, alongside the EU and 27 countries including the US, UK and China, signed the Bletchley Declaration. This Declaration affirmed that AI should be designed, developed, deployed and used in a manner that is safe, human-centric, trustworthy and responsible. Global efforts are also accelerating to mandate accountability, transparency, and safety testing for AI development. Jurisdictions are doing this through AI-specific laws (e.g. Canada and EU), and expansion of existing laws (e.g. US).
- The signing of the Declaration and global efforts to mandate guardrails for AI reflect a seismic shift in the role of governments in shaping tech regulation.
- The Government response highlights we will support safe and responsible development and deployment of AI internationally, with a focus on high-risk settings, including by engaging in international governance activities.

Other Policy Commitments

AI Industry Support Programs

- The 2023-24 Budget contained \$75.7 million for AI initiatives including:
 - \$17 million for the AI Adopt Program to establish three to five centres to provide direct support to SMEs in an NRF priority areas. Applications for this program opened on 8 December 2023 and closed on 29 January 2024.
 - \$21.6 million to extend the NAIC to support initiatives like the Responsible AI Network to strengthen AI governance and industry capability. This is on top of its existing funding (\$2.7 million in 2023-24).
 - Funding of \$34.5 million continues for the Next Generation Artificial Intelligence and Emerging Technologies Graduates programs.

AI in Government Taskforce

- The department is co-leading, with the Digital Transformation Agency, the AI in Government Taskforce. The taskforce, comprises 22 secondees from 12 agencies, commenced operations on 7 August 2023 and will run until mid-2024.
- In November 2023, the taskforce updated the interim guidance on the use of publicly available generative AI platforms. The taskforce is also supporting the whole-of-government trial of Microsoft 365 Copilot.