



Media Release

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Better alignment of resources is key, says Qenos

Australia's largest petrochemical company Qenos issued the following statement today in response to the Morrison Government's \$1.5bn *Modern Manufacturing Strategy* pre-budget announcement:

Qenos welcomes the Government's plan to take advantage of Australia's resources and home-grown strengths to drive a new manufacturing renaissance in this country. It's a smart move to focus on the scale, alignment, and competitive advantages of our abundant resources to lead this resurgence.

Qenos CEO, Stephen Bell said "Australian manufacturing can no longer rely on individual businesses doing the heavy lifting on their own, when jobs growth and economic prosperity require a modern, clear, and innovative manufacturing strategy. We need new ideas and inspiration to take Australia forward, and remove the unnecessary headwinds to local manufacturing achieving its full potential.

"We have a natural competitive advantage in gas. As Prime Minister Morrison has already stated, this gas should be supplied to domestic manufacturers at internationally competitive prices. To achieve this, the Australian gas market needs to become deeper, more liquid and more transparent. We know gas provides a foundation for investment and supports over 850,000 Australian jobs in the manufacturing sector.

"Gas is also a feedstock, a raw material used as a building block for creating hundreds of thousands of new jobs and value adding industries. A single petajoule of gas, for example, supports 1,600 FTE chemical industry jobs and contributes around \$300 million to our economy. Gas-based chemical manufacturers produce \$38bn of wealth each year, supplying products into 108 out of 114 value chains or industries across Australia.

"Australia's competitive advantage in gas is an obvious candidate for unleashing wealth creation, enabling well-paid jobs, and boosting our national income to pay-off the cost of the pandemic and pave the way for future prosperity.

"We are pleased to see the obvious choice of food, chemicals, and plastics as priorities for strengthening our world-class, home-grown manufacturing base, and the Government's intention to address offshore supply chain vulnerabilities in these areas.

"Today's announcement by the Federal Government is potentially a game-changing step for Australia's manufacturing 'identity', capability and economy. We look forward to working with the Government and gas producers to ensure Australia's policy settings support our manufacturing industry into the future."

- Ends-

For further information:

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About Qenos:

As Australia's only manufacturer and leading supplier of polyethylene, Qenos adds value to Australia's natural resources through conversion into high value petrochemicals and polymers that are used by hundreds of companies in the Australian plastics and chemical industry. Qenos products are used in myriad applications, including the key packaging, agriculture, automotive, water, mining and waste management industries making Qenos a vital link in the Australian manufacturing chain. With manufacturing sites in Victoria and New South Wales, Qenos has approximately 1000 employees and contractors with an annual revenue of \$750m - www.qenos.com

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