

PROTECTED: CABINET

MC25-066219

PLAN OF ACTION FOR RESPONDING TO CONCERNS ABOUT AUSTRALIA'S SMELTING CAPABILITY

Prime Minister, we recommend you:

s 22(1)(a)(ii)

Signed / Not Signed

s 22(1)(a)(ii)

s 22(1)(a)(ii)

Signed / Not Signed

ANTHONY ALBANESE

Date:

7/7/25

Comments:

KEY POINTS

1. On 20 May 2025, Minister Ayres wrote to you (Attachment C) seeking agreement to a plan of action to respond to the pause in manganese production at the Liberty Bell Bay smelter (LBB) s 22(1)(a)(ii)

2. On 16 May 2025, the Hon Jeremy Rockliff MP, Premier of Tasmania, also wrote to you about LBB s 22(1)(a)(ii)

s 22(1)(a)(ii)

s 47C , s 47E(d)

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s 47C , s 47E(d)

SUPPLEMENTARY INFORMATION

Liberty Bell Bay (LBB)

7. Located in northern Tasmania, LBB is Australia's only manganese processing facility. Manganese is on Australia's Critical Minerals List due to its importance in steel manufacturing.
8. On 19 May 2025, LBB announced it would pause production due to challenges securing manganese ore supply, and structural and financial constraints affecting its owner, the Gupta Family Group (GFG). There are at least 260 jobs at risk should LBB close. The Department of Employment and Workplace Relations is engaging with the Tasmanian Government on worker supports.

s 47E(d) , s 47G(1)(a)

10. LBB exports approximately 80 per cent of its products to the United States. The products the smelter exports to the US, ferromanganese and silicomanganese, are exempt from the US Government's recent tariff announcements. The US is import-reliant on manganese.
11. In April 2024, LBB was awarded \$766,612 through the Powering the Regions Fund Safeguard Transformation Stream, to trial an alternative fuel for smelting processes. The smelter is covered under the Safeguard Mechanism, and in the 2023-24 compliance year reported emissions below its emissions limit. In January 2024, the Commonwealth committed \$70 million under the Regional Hydrogen Hubs program to support development of the Tasmanian Green Hydrogen Hub at Bell Bay.

s 22(1)(a)(ii)

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s 47C , s 47E(d)

s 22(1)(a)(ii)

s 47C , s 47E(d)

Consultation

PM&C DIVISIONS – Cabinet Division, Economic Division, Intergovernmental Relations and Reform

DEPARTMENTS – Department of Finance, Department of the Treasury

Peter Good

Assistant Secretary

Industry, Innovation, Science and Communications

6 July 2025

Policy Officer:

s 22(1)(a)(ii)

Phone no: s 22(1)(a)(ii)

Circulation

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PMO Chief of Staff; s 22(1)(a)(ii)

Cabinet Secretary; s 22(1)(a)(ii); s 47E(d)

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ATTACHMENTS:

ATTACHMENT A DRAFT RESPONSE – MINISTER AYRES

ATTACHMENT B DRAFT RESPONSE – PREMIER ROCKLIFF

ATTACHMENT C INCOMING CORRESPONDENCE – MINISTER AYRES

**ATTACHMENT D INCOMING CORRESPONDENCE - PREMIER ROCKLIFF – LIBERTY
BELL BAY**

s 22(1)(a)(ii)



PRIME MINISTER
The Hon Anthony Albanese MP

Reference: MC25-066219

7 JUL 2025

Senator the Hon Tim Ayres
Minister for Industry and Innovation
Minister for Science
Parliament House
CANBERRA ACT 2600

Dear Minister

Thank you for your letter dated 20 May 2025 regarding the Liberty Bell Bay (LBB)
manganese smelter s 22(1)(a)(ii)

I agree to your continued engagement with the Tasmanian Government on the issues facing
the LBB smelter, s 22(1)(a)(ii)

s 47C , s 47E(d)

s 22(1)(a)(ii)

I have copied this letter to the Hon Jim Chalmers MP, Treasurer, Senator the Hon Katy Gallagher, Minister for Finance, the Hon Chris Bowen MP, Minister for Climate Change and Energy, the Hon Amanda Rishworth MP, Minister for Employment and Workplace Relations, the Hon Madeleine King MP, Minister for Resources, and the Hon Andrew Charlton MP, Cabinet Secretary.

Yours sincerely

s 22(1)(a)(ii)

ANTHONY ALBANESE



PRIME MINISTER
The Hon Anthony Albanese MP

Reference: MC25-066219

7 JUL 2025

The Hon Jeremy Rockliff MP
Premier of Tasmania
GPO Box 123
HOBART TAS 7001

Dear Premier *Jeremy,*

Thank you for your letter dated 16 May 2025 regarding the pressures facing the Liberty Bell Bay manganese smelter, s 22(1)(a)(ii)
s 22(1)(a)(ii)

s 22(1)(a)(ii)

I have asked Senator the Hon Tim Ayres, Minister for Industry and Innovation, to continue working with the Tasmanian Government on the situation at Liberty Bell Bay s 22(1)(a)(ii)
s 22(1)(a)(ii)

s 47C , s 47E(a)

s 22(1)(a)(ii)

I have copied this letter to the Hon Jim Chalmers MP, Treasurer, Senator the Hon Katy Gallagher, Minister for Finance, the Hon Chris Bowen MP, Minister for Climate Change and Energy; and Senator the Hon Tim Ayres, Minister for Industry and Innovation.

Yours sincerely

s 22(1)(a)(ii)

ANTHONY ALBANESE

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SENATOR THE HON TIM AYRES
MINISTER FOR INDUSTRY AND INNOVATION
MINISTER FOR SCIENCE

MC25-000850

The Hon Anthony Albanese MP
 Prime Minister
 Parliament House
 CANBERRA ACT 2600

Dear Prime Minister

s 22(1)(a)(ii)

On 19 May 2025, Liberty Bell Bay advised the Tasmanian Government that the facility would be pausing production.

I have been actively engaging with the Hon Eric Abetz MP, Tasmanian Minister for Business, Industry and Resources, on the issues surrounding Liberty Bell Bay, to ensure a coordinated approach from the Commonwealth and Tasmanian governments.

The Premier of Tasmania, the Hon Jeremy Rockliff MP, wrote to you on 16 May 2025 outlining the pending closure of the Liberty Bell Bay manganese smelter, Australia's only such

s 47C , s 47E(d)

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s 47C , s 47E(d)

The appropriate contact in my department is Tara Oliver, Head of Industry and Manufacturing Division.

Kind regards,

s 22(1)(a)(ii)

TIM AYRES

20/05/2025

CC: The Hon Dr Jim Chalmers MP, Treasurer
Senator the Hon Katy Gallagher, Minister for Finance
The Hon Amanda Rishworth MP, Minister for Employment and Workplace Relations
The Hon Madeleine King MP, Minister for Resources

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PREMIER OF TASMANIA

16 MAY 2025

Hon Anthony Albanese MP
 Prime Minister
 email: dlo@pm.gov.au

Dear Prime Minister, *Anthony*

I write to draw your attention to the emerging situation facing Liberty Bell Bay (LBB) in northern Tasmania, one of our State's largest employers and economic contributors. s 47C, s 47E(d)

LBB is Australia's only manganese smelter and plays a pivotal role in our steel-making capability in Australia. The Commonwealth Government's *Critical Minerals Strategy* lists manganese, and the United States also designates manganese as a critical mineral.

I have been advised that Liberty Bell Bay has now commenced a formal ramp-down of its operations. One of its two remaining furnaces will cease operation by 26 May, with the final furnace expected to shut down by mid-June. At that point, the site will move into a limited operations phase, with only a skeleton workforce in place.

The production pause is primarily due to challenges in securing manganese ore supply, as well as broader structural and financial constraints within the GFG Alliance group.

s 47E(d)

s 22(1)(a)(ii)

s 22(1)(a)(ii)

s 47C , s 47E(d)

Yours sincerely,

s 22(1)(a)(ii)

Jeremy Rockliff MP
Premier

cc. Senator the Hon Tim Ayres, Minister for Industry and Innovation
Hon. Eric Abetz, Minister for Business, Industry and Resources

MC23-067904

s 22(1)(a)(ii)

s 22(1)(a)(ii)

s 22(1)(a)(ii)

s 22(1)(a)(ii)

Signed / Not Signed

5/9/23

ANTHONY ALBANESE

Date:

Comments:

KEY POINTS

1.

s 22(1)(a)(ii)

- b. \$200 million of the CICEI program was allocated for a one-off closed competitive grant process for the primary steel production sector. Australia's two primary steel producers were invited to participate – BlueScope Steel Limited (BlueScope) and GFG Alliance.

s 22(1)(a)(ii)

s 22(1)(a)(ii)

Consultation

PM&C DIVISIONS – CabDiv, EcoDiv

DEPARTMENTS – DCCEEW, Finance

Roland Trease

Assistant Secretary

Energy and Climate Change Branch

28 August 2023

Policy Officer: s 22(1)(a)(ii)

Phone no: s 22(1)(a)(ii)

Circulation

Secretary; A/g Deputy Secretary, Economy, Industry and Resilience Group, Quigley; Deputy Secretary, Governance & Corporate Group, Williamson; Chief Financial Officer, Cooper; First Assistant Secretary, Ministerial Support Division, Martin; First Assistant Secretary, Industry, Infrastructure and Environment, Luchetti; Assistant Secretary, Energy and Climate Change, Trease; Assistant Secretary, Industry, Innovation, Science and Communications, Fell

PMO Chief of Staff; s 22(1)(a)(ii)

MO Chief of Staff;

ATTACHMENTS:

ATTACHMENT A DRAFT RESPONSE

ATTACHMENT B INCOMING CORRESPONDENCE

s 22(1)(a)(ii)