

Economics Legislation Committee
ANSWERS TO QUESTIONS ON NOTICE
Industry Portfolio
Supplementary Budget Estimates 2014-15
23 OCTOBER 2014

AGENCY/DEPARTMENT: DEPARTMENT OF INDUSTRY

TOPIC: Greenfields Exploration

REFERENCE: Question on Notice (Hansard, 23 October 2014, page 118)

QUESTION No.: SI-56

Senator CONROY: What is the current level of greenfields exploration, and how does this compare year-on-year, state-by-state, with the previous levels of exploration over the past 10 years?

Mr Hoffman: We can certainly provide that on notice in a table format, if that would assist.

ANSWER

Exploration in Australia, both brownfield and greenfield, accounted for A\$6.94 billion in 2013-2014, a decline of 11.5 per cent relative to 2012-13. Higher expenditure on petroleum exploration was more than offset by a substantial decline in minerals exploration expenditure.

This trend is expected to continue; the trend estimate for total mineral exploration expenditure fell 9.6 per cent, or by \$46.8 million, to \$438.8 million in the June quarter 2014. The trend estimate for petroleum exploration expenditure rose 12.71 per cent, or by \$157.5 million, to \$1,402.5 million in the same period.

Greenfield exploration, in particular, has experienced a marked decline in 2013-14, relative to 2012-13. While greenfield petroleum exploration expenditure experienced a small 2.4 per cent increase, to A\$3.51 billion in 2013-14, greenfield mineral exploration expenditure decreased 33 per cent, to A\$682.3 million.

This decrease in expenditure was experienced in every Australian jurisdiction. A table outlining greenfield exploration expenditure in each state for the last ten years is provided at **Attachment A**.

Greenfields Mineral Exploration Expenditure (for all commodities excepting petroleum)

Year	NSW (A\$m)	NT (A\$m)	QLD (A\$m)	SA (A\$m)	TAS (A\$m)	VIC (A\$m)	WA (A\$m)	Total greenfield expenditure (A\$m)	Total exploration expenditure (brownfield & greenfield) (A\$m)	Greenfield exploration expenditure as a percentage of total expenditure (A\$m)
2013-14	46.3	23.2	161.0	52.7	8.2	9.1	381.0	682.3 (-33.0 %)	2,067.8	33.0 %
2012-13	50.6	38.6	223.7	102.4	16.6	12.4	573.8	1018.4 (-18.1 %)	3,055.4	33.3 %
2011-12	47.2	72.7	291.6	144.2	16.6	34.0	637.0	1243.0 (+19.8 %)	3,953.0	31.4 %
2010-11	33.8	89.1	172.3	131.5	17.0	27.2	566.4	1037.5 (+21.6 %)	2,951.3	35.2 %
2009-10	44.1	87.9	99.2	99.7	13.5	25.8	483.2	853.4 (+1.7 %)	2,232.6	38.2 %
2008-09	78.7	68.9	102.7	82.0	11.9	29.3	465.8	839.2 (-17.1 %)	2,223.2	37.7 %
2007-08	93.6	57.0	128.1	134.4	15.1	48.0	536.9	1,012.7 (+66.0 %)	2,461.4	41.1 %
2006-07	48.1	34.7	83.7	63.5	9.8	38.3	332.0	609.9 (+33.3 %)	1,714.6	35.6 %
2005-06	28.6	20.5	61.4	28.3	9.7	30.4	268.6	457.5 (+13.1 %)	1,240.7	36.9 %
2004-05	19.5	18.2	47.9	22.3	3.5	9.8	283.2	404.6	1,028.4	39.3 %

Greenfields Petroleum Exploration Expenditure (offshore and onshore)

While a state-by-state breakdown of greenfield petroleum exploration expenditure is not available, the national total of petroleum exploration expenditure in areas other than on production leases (greenfield) is provided below:

Year	Total greenfield expenditure (A\$m)	Total exploration expenditure (brownfield & greenfield) (A\$m)	Greenfield exploration expenditure as a percentage of total expenditure (A\$m)
2013-14	3,509.9 (+2.4 %)	4,871.5	72.1 %
2012-13	3,426.2 (+31.4 %)	4,793.4	71.5 %
2011-12	2,606.6 (+4.4 %)	3,197.0	81.5 %
2010-11	2,497.1 (-5.6 %)	3,315.4	75.3 %
2009-10	2,645.0 (-7.8 %)	3,494.1	75.7 %
2008-09	2,867.3 (+17.4 %)	3,810.7	75.2 %
2007-08	2,443.0 (+44.4 %)	3,034.9	80.5 %
2006-07	1,691.8 (+109.7 %)	2,225.5	76.0 %
2005-06	806.6 (-1.9 %)	1,262.0	63.9 %
2004-05	822.0	1,044.8	78.7 %