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MEDIA RELEASE

INQUIRY INTO EXTENDED PAYMENT TERMS WELCOMED

Resource Industry Network has welcomed the announcement of a Federal Government Parliamentary Inquiry into Mining Industry Support for the Regional Businesses that will look at payment terms offered to suppliers.

The Chair of the Committee, Hon Barnaby Joyce MP announced the inquiry which will look at a range of issues affecting business in mining regions including the payment terms offered by mining businesses and barriers to involvement in mining industry procurement processes.

RIN general manager Adrienne Rourke said the inquiry was welcome news and now provided the region's supply chain with the opportunity to demonstrate the interaction between extended payment terms and their financial capacity to invest in growth and upskilling when payment terms are impacting on access to working capital and new capital.

The announcement has come at a critical time in the mining cycle as businesses experience an increased work demand and an amplified workforce requirement.

"Extended payment terms at any level in the supply chain means small, medium and large contractors are being impacted, and we believe that a more fair and reasonable 30 day payment terms are required for all suppliers to enable the sector to grow, innovate and compete on the world stage," Ms Rourke said.

"We have seen evidence of 60 day plus payment terms being passed on through the supply chain. This domino effect has a huge impact on the entire supply chain and the entire regional economy."

Submissions can be made confidentially so RIN is encouraging members and the wider industry network to also make an individual submission by the 10 August.

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For further information or to arrange an interview/photo/footage, please contact:

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