



# MEDIA RELEASE

## MINERALS COUNCIL OF AUSTRALIA

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### **Job-wrecking Victorian mining tax threatens regional communities and investment**

#### **Statement from James Sorahan, Executive Director, MCA Victoria**

The Victorian Government's gold tax threatens hundreds of jobs in regional Victoria and would undermine confidence just when new opportunities are emerging to support regional communities with increased mining investment.

The Andrews Government has not consulted or listened to regional communities that rely on highly paid, high skilled jobs that mining delivers in Victoria.

Regional communities have had enough of their jobs and livelihoods being put at risk by governments.

Despite its own Resources Strategy stating that 'Mining operations are the backbone of many regional towns, providing employment, opportunity and a sense of community', the government has not consulted industry or local communities before announcing this new tax on regional jobs.

Victoria is already behind every other Australian state apart from Tasmania on mining competitiveness, with the Fraser Institute's Annual Survey of Mining Companies ranking Victoria 43rd out of 83 jurisdictions globally in its Investment Attractiveness Index.

A new 2.75 per cent gold tax would add to uncertain project approval and regulatory regimes and regulatory duplication and inconsistencies.

It would also drive away investment at the very time when Victoria needs the ongoing long-term prosperity created by mining in gold operations in Fosterville, Ballarat and Stawell.

Mining employs almost 12,000 Victorians and supports 88,000 more jobs through a large supply chain of small and medium sized businesses in the mining equipment, technology and services (METS) sector.

Mining provides a strong economic return to the state given mining licences cover only 0.2 per cent of land in Victoria. Minerals and METS supports around four per cent of Victoria's Gross State Product (GSP) with a combined economic contribution to the Victorian economy of at least \$13.6 billion.

All Victorians have benefited from jobs and investment in the Stawell gold mine and the expanded gold exploration program by Kirkland Lakes' Fosterville.

Victoria's mining industry, including its gold industry which has done so much to build the state for more than 150 years, supports highly skilled highly paid jobs.

The claim that Victoria should impose a gold royalty because other states do ignores the unique characteristics of gold mining in Victoria.

Royalty regimes are designed differently in each state to encourage development of a state's mineral resource for the benefit of the community, including different royalty rates, depreciation arrangements, exemptions and other features.

If the Victorian Government does not immediately abandon this tax cash grab, its claimed commitment to regional development and communities will be a hollow boast.

Victoria's minerals industry will join regional communities and others in fighting for regional jobs and long-term investment and oppose this new gold tax.

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