



## Media release

### **Record mining tax and royalty payments continue to fund services & support communities**

#### **Statement from Tania Constable, Chief Executive Officer**

The Company taxes and royalties paid by Australia's world-leading minerals sector increased by \$8 billion in 2018-19 to a record \$39.3 billion, benefiting all taxpayers through better services and infrastructure.

Increasing tax and royalty contributions from the minerals sector in line with revenue growth reflect continued higher production and strong commodity prices, according to a new [Deloitte Access Economics report](#) commissioned by the MCA.

The report confirms that the minerals sector does the heavy lifting on company tax collections, contributing close to 30 per cent of all company tax in 2018-19.

When combined with royalties, these contributions support stronger communities by helping to fund hospitals, schools, doctors, nurses, police, teachers and other essential services and infrastructure.

The report found that over the last 11 financial years, the minerals industry paid \$230 billion in royalties and company tax – enough to build 8850 schools or 320 hospitals.

High and consistent payments across the commodity cycle show that the minerals sector is a reliable and significant tax and royalty contributor.

Along with tax reports from a number of MCA member companies, the Deloitte Access Economics report also shows that the minerals sector reports its contributions regularly and transparently to show Australians that the industry can be trusted to pay its fair share of tax and royalties.

The report follows the recent release of the Productivity Commission's Trade and Assistance Review 2018-19 which stated that tariff and budgetary assistance to mining is 'disproportionately small', with the effective rate of assistance for mining – the ratio of total assistance to output – just 0.2 per cent in 2018-19, the same low rate as the last three years.

These tax and royalty payments again demonstrate how the minerals sector has underpinned Australia's economic prosperity for decades.

The Treasurer has recently reinforced the importance of supporting a business-led recovery through competitive tax settings, workplace relations reform, deregulation and new infrastructure.

Lower taxes, faster project approvals, modern skills and flexible workplaces will help the minerals sector make an even bigger contribution to both the national economy and regional jobs as Australia emerges from COVID-19.

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