



# MEDIA RELEASE

## MINERALS COUNCIL OF AUSTRALIA

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### GOVERNMENT SHOULD REVISIT KEY DESIGN ELEMENTS OF THE MINING SUPER TAX

Statement from Mitch Hooke, Chief Executive Officer, Minerals Council of Australia

The Government has today locked in the 40 per cent rate for the proposed super tax on mining.

This is a disappointing outcome that further undermines the so-called consultation process.

The 40 per cent rate will deliver the highest mining tax rate in the world. The 40 per cent rate, the retrospective nature of the tax, the definition of super profit at 6 per cent, and the failure to differentiate between commodities must all be revisited by the Government.

Unless these elements are addressed in a comprehensive way the super mining tax will remain fundamentally flawed. It will damage Australia's reputation leading to the deferral of mining projects and the loss of thousands of jobs in mining and related industries.

A change to the uplift factor to a level similar to the Petroleum Resource Rent Tax's 11 per cent for example is not a material improvement.

Without broader changes to the tax design, it would represent mere tinkering with a badly designed tax and amount to policy-making on the run.

The minerals sector is ready to engage in constructive discussion on genuine resource tax reform. But *all* key design issues must be on the table.

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