



# MEDIA RELEASE

## MINERALS COUNCIL OF AUSTRALIA

---

### **Independent study shows Australian minerals companies paying their fair share in tax**

#### **Statement from David Byers, Interim Chief Executive, Minerals Council of Australia**

An [independent study](#) of the tax rate paid by the Australian minerals industry shows mining paid an effective tax rate of 51 per cent in 2015-16 in company tax and royalties – the second-highest tax ratio recorded since the survey began nine years ago.

Deloitte Access Economics' *Minerals Industry Tax Survey 2017*, based on a survey of 25 Australian mining companies, provides an independent and robust estimate of the industry's tax burden.

This survey – which includes companies covering more than 70 per cent of production of Australia's major commodities – conclusively busts the myth that Australian mining companies pay little or no tax.

The Australian minerals industry paid \$185 billion in Federal company tax and state and territory royalties between 2005-06 and 2015-16 (Source: Estimates of royalties and company tax accrued in 2015-16, report by Deloitte Access Economics for the Minerals Council of Australia, 5 January 2017).

By paying its fair share of company tax and royalties, the Australian minerals industry helps to fund the schools, hospitals, police and other essential services on which Australians depend.

Australia's world-class mining sector could make an even greater contribution to our economy and society if the company tax rate – currently the fifth-highest in the 35-member OECD – was reduced.

Australia's 30 per cent company tax rate is too high for a capital-hungry nation which needs to encourage business investment.

Competitive State and Territory royalty regimes are also critical to ensure Australia can attract mining investment capital in the face of fierce competition with other minerals-rich nations.

Effective tax reform would encourage companies to invest and create more jobs, especially in regional communities.

ends