

RAISING GOLD & IRON ORE FEES

A FUTURE
FOR ALL OF US



RAISING IRON ORE AND GOLD FEES.▲

The Greens will make mining corporations pay their fair share by increasing fees for iron ore and gold.

Our plan to increase iron ore and gold fees will inject over \$3.8 billion into our economy every year, allowing us to future-proof our economy so that we can recover from this pandemic together.

Iron ore producers in Western Australia continue to generate massive profits for their shareholders, while only giving back a small portion to the State Government and our communities.

In 2019 the big four iron ore producers in Western Australia (Rio Tinto, Hancock Prospecting, BHP and Fortescue Metals Group) made over \$27 billion in profits while paying a rental fee of only 25 cents per tonne of iron ore produced.

Increasing the iron ore rental fee will bring in much needed revenue for Western Australia to fund new employment opportunities in the renewable economy, and to significantly increase funding in the care economy.

The Greens will increase the iron ore rental fee from \$0.25 to \$5 per tonne for the top four producers in Western Australia, generating up to \$3.7 billion per year depending on production.

The Greens also support the recommendations of the 2015 review¹ into WA's mining royalties to increase the gold ad valorem rate from 2.5% to 3.75%, reflecting similar rates interstate and overseas.

By increasing the ad valorem rate for gold, we would receive an additional royalty of approximately \$20 per ounce, based on the gold price in September 2017. At the time, this change was expected to generate nearly \$400 million between 2017 and 2020².

With gold prices surging since this time, our economy has lost out in millions of dollars we could have used to support our environment, communities and create jobs for the future.

The Greens will:

- ▲ **Increase the gold ad valorem rate from 2.5% to 3.75%**, expected to have raised \$400 million between 2017-2020
- ▲ **Increase the iron ore rental fee from 25c to \$5 per tonne**, raising \$3.7 billion per year

1. Government of Western Australia. 2015. 'Mineral Royalty Rate Analysis Final Report'. https://jtsi.wa.gov.au/docs/default-source/default-document-library/mineral-royalty-rate-analysis-final-report-0315.pdf?sfvrsn=76076e1c_6

2. WA Government Media Statement, <https://www.mediastatements.wa.gov.au/Pages/McGowan/2017/09/Changes-to-gold-royalty-arrangements-part-of-Budget-repair-task.aspx>, [7/9/2017]