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# MEDIA RELEASE

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## Deputy Premier not budging on mining royalties for regions, yet

Members of the Association of Mining Related Councils (AMRC) met with NSW Deputy Premier, the Hon. Andrew Stoner in his Sydney office on Tuesday afternoon to discuss a "Royalties for Regions" scheme. The AMRC delegation was satisfied that Mr Stoner gave them a fair hearing but was disappointed that he did not recognise the economic justice of the proposed royalties scheme. The Deputy Premier is standing by the Government's Restart NSW funding package. The royalties scheme would be more transparent, targeted and funded by far more secure revenue streams, according to spokesperson for the AMRC Royalties Committee, Cr John Clements from Narrabri Shire.

The AMRC delegation also comprised Chair, Cr. Colleen Fuller (Deputy Mayor of Gunnedah Shire Council), Cr Lilliane Brady (Mayor of Cobar Shire) and AMRC Executive Officer, Don Tydd. They saw the meeting as a beginning.

The Association of Mining Related Councils is calling for a "Royalties for Regions" scheme that would return 30 percent of the State's mining royalties directly to the regions, as a non-rates based revenue stream for councils, which are bearing the burden of mining without proportionate local level economic benefits.

Cr. Clements, said that Mr Stoner stood by the Coalition's policy position, namely the Restart NSW infrastructure fund, 30 percent of which was to pay for regional projects. Restart NSW was to be funded by windfall tax revenues; additional borrowing, including new Waratah Bonds; and proceeds from the long-term lease of Sydney's Desalination Plant.

"It is proposed that the Restart NSW fund will have \$1.6billion, with a suggestion that 10 percent would go to mining affected councils. This fund may yet deliver for regional NSW but it will not achieve for regional councils and specifically for mining related councils what the "Royalties for Regions" scheme would," Cr Clements said.

"The "Royalties for Regions" scheme would give targeted, secure annual revenue to the mining affected Councils where the State's royalties are won. It is an opportunity for the NSW Government to make regional communities affected by mining more sustainable, to give them some of the benefits."

"We are trying to work with, not argue against the Government. We explained to Mr Stoner just how difficult it is for mining affected councils, which are trying to use revenue from their rate base to subsidise people who don't live there and to build infrastructure that will help those people to decide to live there," he said. "The State will yield some \$3billion in mining royalties this year. Mining affected communities are facilitating this revenue without a fair return. In 2010/2011, about \$500,000,000 in gross royalties were extracted from the Singleton area, yet the Council cannot afford to fund hard and soft infrastructure required to service its community and the resources boom."

"We understand that the NSW Government has fiscal constraints and an existing policy, which we feel would be complemented by "Royalties for Regions" scheme," Cr Clements said.

Cobar Mayor Lilliane Brady said there is a long campaign ahead to convince the NSW Government of the need for a "Royalties for Regions" scheme. The local government veteran said that neither the Coalition or the Labor Party have appreciated how difficult it is for regional communities living at the coal-face of the mining boom. "Cobar has two new mines. They're fly-in-fly-out, which impacts on Council's infrastructure - it's putting a strain on us. We do need money brought back into our region and we won't stop here."

The Chair of the 21 member Association of Mining Related Councils, Colleen Fuller from Gunnedah Shire said the meeting was a positive first step. We were satisfied that Mr Stoner gave us his full attention and we opened his eyes on a number of issues. For 45 minutes, we explained the urgent need for direct funding to assist mining affected communities in NSW. It was a good beginning," Cr Fuller said. "I told Mr Stoner that we will build case studies of the impacts of mining of local government areas and present them to him at our next meeting. This would include examples from each of our member councils showing mining related cost burdens that councils have to fund but cannot afford."

AMRC Executive Officer, Don Tydd said that the matter would be discussed at the Association's May meeting in Parkes. "We'll be encouraging member councils to consider projects that are on their wish-list due to mining impacts. It needs to be

## **Association of Mining Related Councils Inc.**

clear to AMRC members, mining related organisations and the Government, exactly what the priorities are in each local Government area that is affected by mining."

***Media contact:, Cr Colleen Fuller: 0429 420 290 / 02 6742 0290***



### **The Association of Mining Related Councils comprises:**

Bland Shire Council, Blayney Shire Council, Broken Hill City Council, Campbelltown City Council, Cabonne Shire Council, Cobar Shire Council, Gloucester Shire Council, Gunnedah Shire Council, Lachlan Shire Council, Lithgow City Council, Liverpool Plains Shire Council, Mid-Western Regional Council, Narrabri Shire Council, Newcastle City Council, Orange City Council, Parkes Shire Council, Singleton Council, Upper Hunter Shire Council, Warrumbungle Shire Council, Wollondilly Shire Council and Wollongong City Council.

[as at April, 2012.]