

Leader of the Opposition  
**LIA FINOCCHIARO MLA**

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**MEDIA RELEASE**

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*For immediate circulation*

**Country Liberal Government will simplify mining taxes to drive investment and jobs in the Territory**

A Country Liberal Party Government will remove the Gunner Government's complicated hybrid mining tax model and implement an *ad valorem* royalty system to drive investment and job creation in the Territory. The new system will make it easier for existing mining operations and prospective businesses to forecast royalty expenses, Opposition Leader Lia Finocchiaro said today.

"Mining is such an important part of the Territory's economy contributing \$5.7 billion and supporting more than 7,000 jobs, but the Gunner Government isn't allowing it to reach its potential with its hybrid tax model," Mrs Finocchiaro said.

"Currently the combined 20 per cent profits tax and *ad valorem* hybrid model isn't working. This model is a huge deterrent to businesses investing here. The Territory needs to be an attractive destination for mining investment to create jobs for Territorians. Moving to an *ad valorem* only model will also bring the Territory in line with other Australian jurisdictions."

A CLP Government will:

- Remove the hybrid mining tax model introduced by the Gunner Government in 2018, which has been a disaster for the Territory and has discouraged investment, cost us jobs and contributed to the worsening economic crisis we are facing.
- Institute an *ad valorem* only royalty system for all new mining operations in the Territory, based on the Western Australian regime.
- Phase in the *ad valorem* royalty system for existing mines, in consultation with industry.

"The introduction of a simplified royalty system will decrease administration costs for both industry and the Territory Government, potentially saving millions per year by reducing audit, legal and related costs. Under our model, prospective businesses will be able to more easily calculate how much they will have to pay," Mrs Finocchiaro said.

"Last year's Fraser Institute Annual Survey of Mining Companies, ranked the Northern Territory behind jurisdictions like Botswana and Turkey on investment attractiveness on policy perception. It's not good enough.

"In the wake of COVID-19 we need to make a change to drive investment and create jobs. We need to jumpstart the Territory economy.

"The CLP is committed to cutting red tape and getting the Territory working again. An overhaul of our mineral royalty regime will serve as a signal that after four years of uncertainty and misguided priorities, the Territory will be open for business under a CLP Government," Mrs Finocchiaro concluded.