

NSW BUDGET 2020-21
PRE-BUDGET
SUBMISSION

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NSW MINERALS COUNCIL



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About the NSW Minerals Council

The NSW Minerals Council (NSWMC) represents the State's \$31 billion minerals industry.

NSWMC provides a single, united voice on behalf of our more than 90 members, who range from junior exploration companies to international mining companies, as well as associated service providers.

Mining has long been and will continue to be a key industry for the NSW economy.

NSWMC works closely with government, industry groups, stakeholders and the community to foster a strong and sustainable minerals industry in NSW.



Mining's role in the NSW economy

Mining has supported the NSW economy during the COVID-19 pandemic

Across Australia, the mining industry responded quickly and effectively to the risks of the COVID-19 pandemic, developing national protocols to minimise the risk of COVID-19 transmission amongst the mining workforce and local communities.

The successful implementation of the protocols has enabled the mining industry to safely maintain operations throughout the pandemic, providing a much-needed source of ongoing economic activity that has helped sustain jobs and businesses across NSW.

The NSW mining industry entered the pandemic in a strong position. Coal exports from NSW reached record levels in the 2019 calendar year, demonstrating the strong ongoing demand for NSW's high-quality coal. Mineral exploration expenditure reached record levels in NSW, which bodes well for the long-term future of the industry.

While prices for coal and some metals have fallen during the pandemic, prices for gold – NSW's third most valuable merchandise export – are at record highs, and there have also been strong recoveries in prices for silver and copper. A range of operating companies have announced plans to invest in expanded operations, and there has been a corresponding increase in the number of major mining projects in the NSW planning assessment system.

As stated by the Commonwealth Office of the Chief Economist, it remains likely that **“commodities will once again buffer the Australian economy against external headwinds”**.¹

A capital investment pipeline of \$13 billion in NSW mining projects awaits

As the economic stimulus measures implemented by governments around the world gain momentum and economic growth returns in the years ahead, the demand for the mineral resources produced by NSW will grow strongly.

NSW has 32 new or expanded mining projects in various stages of the planning system in NSW.

These projects have the potential to:

- Deliver more than \$13 billion in capital investment in NSW, driving economic activity across the State, including in regional areas
- Create or maintain more than 15,500 direct construction and operation jobs along with tens of thousands more jobs in businesses that support the mines
- Deliver more than \$4 billion in royalties for NSW and hundreds of millions more through other taxes and local community contributions to help fund schools, hospitals, police, infrastructure and other services across the state.

The projects are spread across a range of commodities including thermal and metallurgical coal, gold, base metals, battery minerals and mineral sands. Full details can be found in the NSW Minerals Council report *Mining for the Recovery*².

With the right policy settings and efficient planning assessment processes, the NSW mining sector has the potential to drive economic development in regional NSW to help with the economic recovery.

¹ Office of the Chief Economist, Resources and Energy Quarterly, June 2020, <https://publications.industry.gov.au/publications/resourcesandenergyquarterlyjune2020/documents/Resources-and-Energy-Quarterly-June-2020.pdf>

² Available at <https://bit.ly/30NfiOe>

NSW MINERALS INDUSTRY ECONOMIC SNAPSHOT



\$2.1 BILLION
ROYALTIES ¹

\$11.4 BILLION
DIRECT SPENDING
ON NSW SUPPLIERS
AND WAGES ³

\$31 BILLION
PRODUCTION
VALUE ²

7,000
NSW BUSINESSES
DIRECTLY SUPPORTED ⁴

37,000
PEOPLE DIRECTLY
EMPLOYED ⁵



\$23.1 BILLION
COAL EXPORTS ⁶
NSW's most
valuable export



\$252 MILLION
2019 NSW MINERAL
EXPLORATION EXPENDITURE ⁷

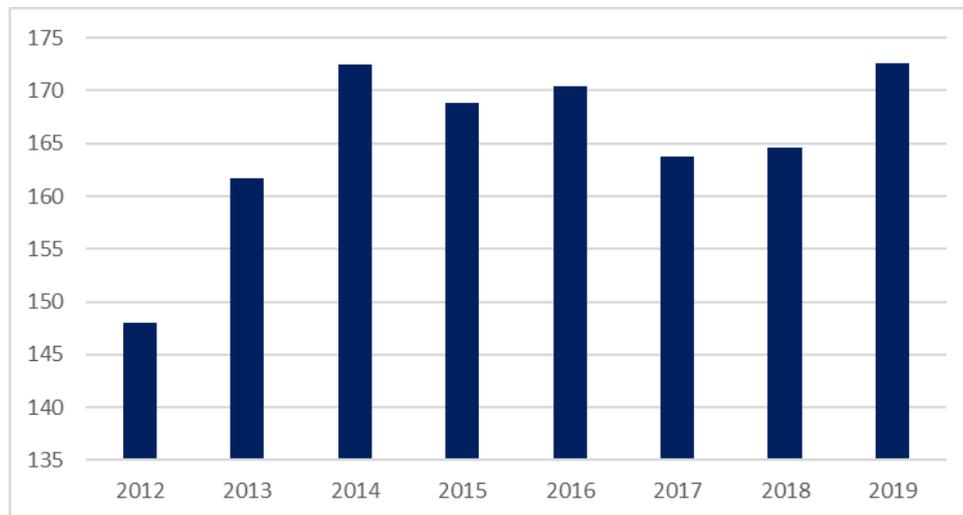
\$13 BILLION
CAPITAL INVESTMENT
PIPELINE ⁸



The outlook for coal – NSW’s #1 export – is strong

Coal remains NSW’s most valuable export, and during 2019 NSW coal export volumes reached a record level of 172.6 million tonnes, just ahead of the previous record of 172.5 million tonnes in 2014.

NSW coal exports by calendar year³



As acknowledged in the NSW Government’s recently released *Strategic Statement on Coal Exploration and Mining in NSW*⁴, coal mining will continue to have a strong role to play in NSW for decades to come.

While the COVID-19 pandemic has created disruption to coal markets and prices have fallen sharply since March, the fundamental economic growth patterns of our major and emerging export markets will contribute to a positive long-term outlook for NSW coal exports.

A market report prepared by Commodity Insights⁵ in September 2019 analysed the official energy policies of governments in our major exporting regions of Asia and India, and used this information, together with United Nations population forecasts and per capita electricity consumption forecasts, to predict the potential change in demand for thermal coal. Some findings from the study to note include:

- Demand for thermal coal in our major export markets is forecast to increase by 495 million tonnes between 2018 and 2040
- Small reductions in demand from China and Japan are offset by large increases in demand from other countries, particularly India, Vietnam, Philippines, and Bangladesh
- NSW would need to increase thermal coal exports by 75 million tonnes by 2040 just to maintain our current market share.

The Commodity Insights work is generally consistent with the projections of the International Energy Agency (IEA). As the IEA notes⁶, there are strong regional variations in the outlook for coal as the developed economies of Europe and North America reduce coal use, which is balanced by a much

³ Australian Bureau of Statistics, ABS 8412.0 Mineral and Petroleum Exploration, Australia; <http://www.abs.gov.au/ausstats/abs@.nsf/mf/8412.0>

⁴ Available at https://www.resourcesandgeoscience.nsw.gov.au/_data/assets/pdf_file/0004/1236973/Strategic-Statement-on-Coal-Exploration-and-Mining-in-NSW.pdf

⁵ *Market Demand Study – NSW Export Coal*, Commodity Insights, September 2019

⁶ International Energy Agency World Energy Outlook 2019

greater increase in coal use in the developing economies of India and South East Asia – NSW’s major export markets.

While there is the potential for the energy policies of our major export markets to change, the forecast growth in energy demand in these developing nations is significant and coal will play a role in meeting this increased demand. As Commodity Insights states, *“Even half the growth estimated (circa 2050Mt) is still substantial and significantly more than total Australian thermal coal exports in 2018 (207Mt)”*.

Growth in demand for metals presents a major economic opportunity

NSW is home to some world class metalliferous mines, including three world-class gold and copper operations: Newcrest’s Cadia Valley Operations, Evolution’s Cowal mine and CMOC’s Northparkes Mines. There are many more smaller operations and several other major projects are at various stages of development, including the CleanTeQ Sunrise Project that will produce cobalt, nickel and scandium, the McPhillamy’s Gold Project, and Silver Mines Limited’s Bowdens Silver Project

The NSW Government has recognised the future growth opportunities for the NSW metalliferous sector through the February 2019 release of the NSW Minerals Strategy⁷. The Strategy includes a goal *“To significantly grow investment in mineral exploration and mining in NSW to position the state as a major global supplier of metals for the economies of today and the future.”* NSWMC fully supports this goal.

The strength and potential of the metalliferous sector, even during the COVID-19 pandemic, is demonstrated by recent company announcements from Evolution Mining and Newcrest Mining to heavily invest in expanding their already significant NSW operations.

Newcrest - Cadia Valley Operations - \$865 million expansion plan

Cadia Valley Operations – already one of the largest gold mining operations in Australia – has commenced the Cadia Expansion Project, which will develop additional resources and expand processing capacity.

The first stage has been approved for execution and involves the commencement of the next cave development and an increase in the nameplate capacity of the process plant to 33 million tonnes per annum (mtpa). The second stage is focussed on a further increase in processing capacity to 35mtpa and recovery rate improvement projects. A modification process has been initiated with the Department of Planning, Industry and Environment.

This follows Cadia achieving record annualised mill throughput rate of 34.2mtpa in the June 2020 quarter, over the same period that gold prices have been rising.

Evolution – Cowal Gold Mine – Acceleration of new underground mine development

In July 2020 Evolution announced that extensive drilling around its existing Cowal Gold Mine had identified a substantial resource that will support development of a new underground mine.

Mining rates in the underground resource are expected to be 1.5-2 mtpa, supplementing the existing open cut, which mined 8.5 million tonnes over the last 12 months.

Evolution is progressing exploration and associated studies and expects to submit a development application to the NSW Department of Planning in the December 2020 quarter.

⁷ https://www.resourcesandgeoscience.nsw.gov.au/data/assets/pdf_file/0007/852505/DPE8828-Minerals-Strategy-FINAL_V2_approved-by-ALL_WEB.pdf

The minerals that NSW produces, or has the potential to produce, are essential in a range of modern transport, electricity and telecommunications technologies. Copper is a fundamental component of electronic equipment, including wind turbines, solar panels, electric vehicles and battery storage. Its use is set to increase significantly along with the exponentially increasing demand for these technologies.

For example, electric vehicles contain around four times the amount of copper as a petrol vehicle. In the IEA’s new policies scenario, sales of electric vehicles are predicted to reach 23 million in 2030, compared to 2.1 million sales in 2019 – more than a 10-fold increase⁸. Wind turbines also contain several tonnes of copper. Just based on historical growth rates, the amount of copper that will need to be mined from now until 2042 to meet increasing demand is roughly equivalent to the total amount of copper mined throughout history. Similar trends can be seen across other metals⁹.

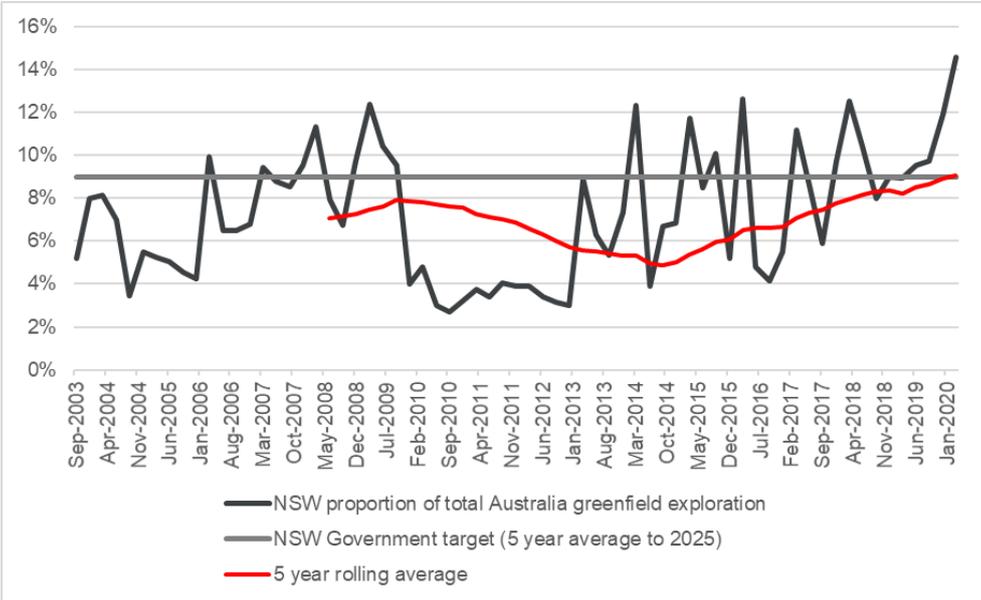
Mineral exploration is the key to delivering the next generation of mining projects in NSW to take advantage of global demand growth

NSW has excellent potential for new mineral discoveries that will lead to the next generation of mines.

Over the last six years there has been a promising upward trend in NSW exploration expenditure, culminating in a record \$252m of expenditure in 2019. There has also been an upward trend in the NSW proportion of national expenditure exploration expenditure.

The graph below charts the proportion of national greenfield exploration expenditure spending in NSW. Greenfield expenditure is not associated with any existing known discoveries and is an indicator of the likelihood of discovering new mines. The chart shows that NSW has been attracting an increasing share of greenfield exploration expenditure and is tracking well to meet the NSW Government target of averaging 9 per cent of total Australian greenfield exploration expenditure over the five years to 2025.

NSW proportion of Australian greenfield mineral exploration expenditure¹⁰



⁸ IEA (2020), Global EV Outlook 2020, IEA, Paris <https://www.iea.org/reports/global-ev-outlook-2020>
⁹ MinEx Consulting, Long term trends in global exploration – are we finding enough metal?, 31 October 2017 <http://minexconsulting.com/wp-content/uploads/2019/04/FEM-Conference-FINAL-Oct-2017.pdf>
¹⁰ Australian Bureau of Statistics, ABS 8412.0 Mineral and Petroleum Exploration, Australia; <http://www.abs.gov.au/ausstats/abs@.nsf/mf/8412.0>



The importance of supporting ongoing exploration was highlighted in a landmark NSW Government report prepared by mineral economics expert Richard Schodde¹¹, which stated that *“There is an urgent need to find large new deposits now. Without them, there is a real risk that mine production (and revenues and employment) could significantly decline in 10-15 years’ time.”*

This highlights the long lead times between discovery and development of mineral resources and the need to continually invest in exploration to find new discoveries that can be developed into profitable mining operations over the long term. The NSW Minerals Strategy confirms that the production life of current operating metalliferous mines in NSW will result in declining production from 2026 without the addition of new capacity.

The recent strengthening mineral exploration expenditure in NSW is delivering results, with exciting discoveries that could lead to the State’s next generation of mining projects. Some highlights in the last 12 months include include Alkane’s Boda discovery and Peel Mining’s ongoing exploration at the Wagga Tanks – Southern Nights project.

Alkane - Boda Discovery – September 2019

In September 2019, Alkane announced the discovery of significant porphyry gold-copper mineralisation at its Boda prospect, located 20km north of Wellington and about 35km east of Dubbo in Central Western New South Wales.

A single diamond drill hole indicated a similar style of mineralisation to the world-class Cadia Valley Operations mine 100km to the South. Further drilling results, announced in May 2020, have found multiple zones of significant gold-copper mineralisation. According to Alkane, *“these results further demonstrate the prospectivity of the (project) and the world-class nature of the Boda discovery”*.

Alkane believes that *‘Boda has the genuine potential to be a large, tier one gold-copper porphyry project’* like Newcrest’s Cadia Valley Operations, which in 2019 employed around 1300 staff and contractors, and contributed nearly \$950 million in direct spending to the NSW economy.



Photo source: MiningNews.net

¹¹ The importance of Junior Exploration companies to the NSW Mining Industry, June 2015, available <https://search.geoscience.nsw.gov.au/report/R00035129>

Peel Mining – Wagga Tank - Southern Nights Project

Extensive exploration drilling campaigns by Peel Mining at the Wagga Tank – Southern Nights project over the last 12 months have confirmed a major polymetallic, volcanogenic massive sulphide (VMS) mineral system, over 2km long, located approximately 130km south of Cobar.

Peel Mining has discovered zones of high grade gold, zinc, copper, lead and silver mineralisation. The two ore bodies remain open at depth and Peel is exploring a prospective corridor zone between the two deposits which would further increase the size and scope of the project.

Peel Mining has undertaken significant internal concept study work on the Southern Nights-Wagga Tank project including conceptual mine design, potential mine scheduling and production targets, metallurgical flowsheet and other surface and underground infrastructure. Further drilling and other studies are continuing.



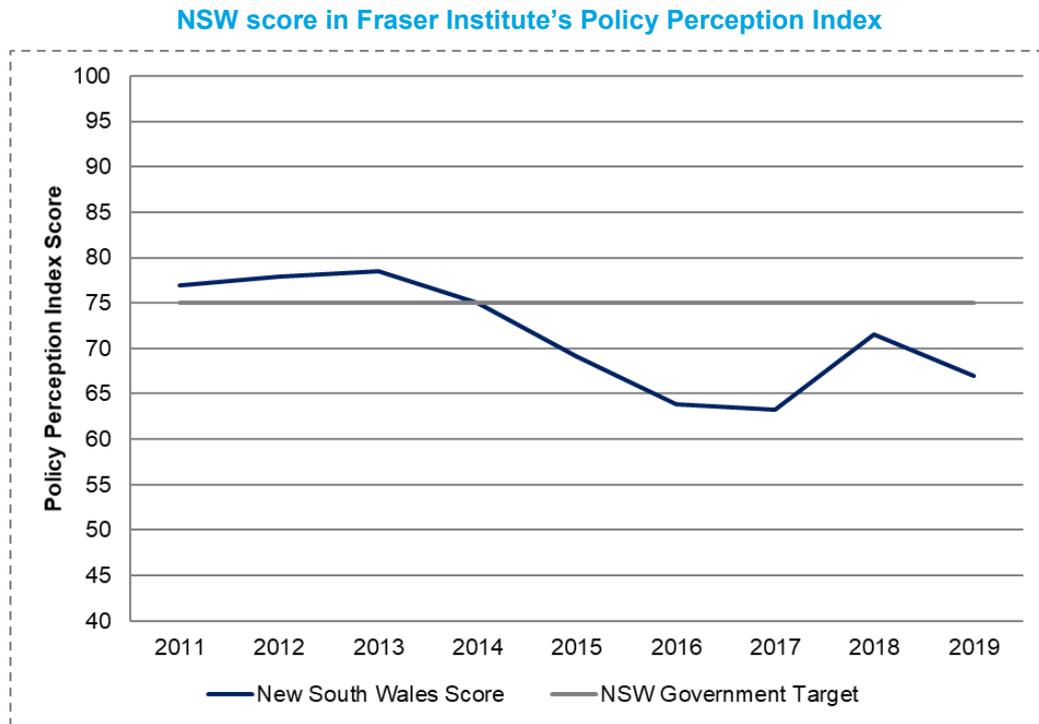
Photo source: Peel Mining

Given the significant commercial risks associated with mineral exploration, a supportive investment environment is crucial. The NSW Government has taken some important steps to improve the investment environment in recent years, including the release of the NSW Minerals Strategy, the continuation of the Cooperative Drilling Grants program, and the ongoing provision of pre-competitive exploration data to the exploration industry.

For example, during October 2019 the NSW Geological Survey undertook an airborne electromagnetic survey around Cobar, with the results made available to the exploration sector. This has delivered valuable, publicly available geological data that has generated strong industry interest. This type of work is crucial to help attract exploration investment to NSW.

NSW is heading in the right direction, but more resources are required to deliver the Deputy Premier’s vision for the NSW minerals sector

The NSW Deputy Premier has repeatedly stated his goal to make NSW the number one destination for minerals investment in Australia. This is an ambitious target given the low ranking of NSW amongst investors over the last decade, as highlighted by annual Fraser Institute survey rankings.¹²



Despite this, the NSW Government is taking some positive steps to turn this perception around. The release of the NSW Minerals Strategy and the Strategic Statement on Coal Exploration and Mining have provided a clear indication of the NSW Government’s recognition of the mining sector’s importance and support for the future of the sector.

The NSW Government should vigorously pursue the objective to make NSW the number one destination for minerals investment in NSW by continually seeking to improve the operating environment and delivering on its commitments.

There has been some promising progress on the delivery of the actions outlined in these strategies. However, the delivery of several key commitments has been delayed, and in many areas NSW lags behind other states on the systems, policies and other support measures needed to better compete and deliver on the goal of making NSW the preferred investment destination in Australia.

NSWMC understands that resourcing constraints within the Department of Regional NSW’s Division of Mining, Exploration and Geoscience (MEG) are inhibiting progress on some of these important reforms. It is critical that funding be allocated to these measures that will deliver a more efficient regulatory and administrative framework for explorers and miners in NSW. This in turn will help to facilitate greater mining investment.

¹² Fraser Institute Survey of Mining Companies, <https://www.fraserinstitute.org/categories/mining>



Recommendations

1. No new taxes, fees or levies on the NSW minerals industry

NSWMC welcomes the NSW Treasurer's recent statement that *"We are not going to tax our way back into prosperity."*¹³ This follows the NSW Government's commitment to NSWMC at in the lead up to the 2019 election that *"There are no plans to increase mining royalties in the next term of Parliament. There are also no plans to increase industry fees and levies by more than CPI in the next term of Parliament."*

Mining in NSW is a heavily regulated industry and bears significant costs in the form of taxes, fees and levies charged by the NSW Government and statutory authorities, including, but not limited to:

- Mine safety levy
- Annual Administrative Levy pursuant to Minerals and Petroleum Administrative Fund
- Annual rental fees applied to mineral titles
- Mine Subsidence Compensation Fund Levy
- Mines Rescue Levy
- Rehabilitation Security Deposits
- Coal Washery Rejects Levy
- Mining Royalties
- Environmental Protection Licence fees
- Title Application fees
- Development Application fees
- Payroll Tax
- Land Tax
- Transfer Duty and Landholder Duty

No new fees or levies should be imposed on the industry in the 2020-21 Budget, in line with the NSW Government's previous commitments.

2. Remove expenditure constraints on industry-generated revenue to allow the delivery of NSW Government commitments

The NSW minerals industry pays around \$35 million per annum into the *Minerals and Petroleum Administrative Fund* and the *Minerals and Petroleum Investment Fund*. When these legislated funds were imposed on the industry without any consultation or warning in 2012 the NSW Government said they were to provide supplementary funding for the activities now performed by the MEG and the Resources Regulator.

It is extremely frustrating for the industry that due to expenditure limits we understand are being imposed by NSW Treasury, much of this industry-generated levy revenue sits idle in departmental bank accounts. This is limiting the delivery of commitments made under the *NSW Minerals Strategy* and the *Strategic Statement on Coal Exploration and Mining in NSW*.

¹³ <https://www.smh.com.au/politics/nsw/perrottet-s-recovery-plan-to-axe-inefficient-stamp-duty-payroll-taxes-20200501-p540xc.html>

While some progress is being made, there have been prolonged delays on some commitments. A targeted review of mining legislation was committed to be completed by February 2020, however no firm proposals have been put forward. There continues to be a huge backlog of renewal applications for exploration and mining titles that needs to be resolved. There has also been no tangible progress on a much-needed review of the MEG website, which the NSW Government previously committed to complete by January 2020.

The industry strongly believes that these excess funds should be either returned to the sector or spent on delivering the improvements to the policy and regulatory framework that they were allegedly introduced to fund in the first place.

Spending these funds on improvements to policy, administration and service delivery will not only provide direct economic stimulus but will also provide a longer-term return on investment by encouraging investment in the NSW minerals sector.

NSW Treasury should either return funds collected in excess of spending limits to the industry, or urgently remove any expenditure limits on the industry revenue raised through these levies.

3. Maintain recurrent funding for the Division of Mining, Exploration and Geoscience (MEG)

According to the Ministerial media release and Second Reading Speech at the time the *Mining and Petroleum Administrative Levy* was introduced, the levy was intended to "**supplementary funding** to meet the cost of increased government responsibilities" and fund "Approximately 40 new positions ... to meet increased assessment and approval functions, compliance and enforcement functions and communication and community liaison functions."

It is clear the Levy was not intended to replace recurrent funding. However, recurrent funding to MEG has declined substantially in recent years and NSWMC understands it may soon cease all together. This would leave the Division entirely reliant on industry fees and levies for its ongoing initiatives and operations.

MEG oversees an industry that provides one of the largest single sources of state-generated revenue for NSW, with annual mining royalties totalling \$2.1 billion in 2018-19. The ability of MEG to deliver a supportive investment environment for the industry has a direct impact on the state's economy.

Recurrent funding for MEG should be reinstated, and Administrative Levy funds collected from industry should be used to deliver improved service levels, as promised in 2012.

4. Deliver funding certainty for Resources for Regions

The NSW Government recently announced an upgrade of the Resources for Regions program, including an additional \$50m funding round and improvements to the eligibility criteria for mining-affected local councils.

While these changes are welcome, the NSW Government now must confirm that a minimum of \$50m of annual funding (and ideally even more) will be provided each year through the Budget Forward Estimates.

This will help to provide certainty for mining communities that the funding will be provided consistently in future years, enabling them to better plan how they intend to use the funds to meet the needs of their local mining communities.

5. Broaden the Planning System Acceleration Program

The Planning System Acceleration Program has been successful in fast tracking some projects that are in late stages of the assessment process, bringing forward investment in economy-building projects.

The NSW Government should be commended for the fast action taken to help maintain economic activity during the downturn.

The benefits of the program would be much improved by accelerating projects from a much earlier state in the assessment process. In the case of mining, there are 32 projects at various stages of the assessment process with a combined potential capital investment of \$13 billion. With the buoyant prices being seen for some minerals during the downturn, some of these projects may present the biggest opportunities for economic development in regional areas in the foreseeable future.

The Government should look to expand the Planning System Acceleration Program to capture a broader range of projects and accelerate them from an earlier stage to help bring forward a bigger slice of the capital investment pipeline.

6. Secure the future of NSW manufacturing and industry by making NSW Carbon Capture and Storage (CCS) ready

It is increasingly recognised that carbon capture and storage (CCS) will play a major role in achieving the deep cuts in emissions and negative emissions needed to reach net zero. CCS can support multiple industries in NSW to lower their emissions and complement the role played by soil and forest-based offsets. Some examples include:

- Capturing and storing carbon from coal fired and gas fired electricity generation – multiple studies show that coal and/or gas with CCS is integral to delivering emissions reduction across the electricity sector at least cost.^{14,15,16}
- Capturing and storing carbon from blue hydrogen production – blue hydrogen, produced from coal or gas paired with CCS, is the most cost-effective method of clean hydrogen production.¹⁷
- Capturing and storing carbon from industrial sources such as cement, steel and fertilizer production – pairing CCS with NSW industrial emission sources will set up NSW industry to compete under more stringent emissions reduction targets.
- Delivering negative emissions through Bioenergy with Carbon Capture and Storage (BECCS) – BECCS, together with land-based offsets will be required to offset unavoidable residual emissions across the economy. Analysis by the University of Queensland Energy Initiative indicates that while land-based offsets (i.e. tree planting) may provide some of NSW's sequestration, there is insufficient land in NSW to meet the total requirements.¹⁸

The planning horizons for carbon dioxide transport and storage infrastructure are long and NSW is now falling behind other states on this front.

In Queensland, planning for the capture, transport and geological storage of carbon is well advanced in the Surat Basin through the Carbon Transport and Storage Company (CTSCo) and the Queensland Carbon Hub.

¹⁴ Boston, A., Bongers, G., Byrom, S., and Staffell, I. (2017) Managing Flexibility Whilst Decarbonising Electricity – The Australian NEM is Changing, Gamma Energy Technology <http://anlecrd.com.au/wp-content/uploads/2017/07/Managing-Flexibility-NEM-2017-Report.pdf>

¹⁵ Pratama, Y.W., Mac Dowell, N. (2019) The Role and Value of CCS in Different National Contexts, Imperial College London Consultants

¹⁶ https://www.resourcesandgeoscience.nsw.gov.au/data/assets/pdf_file/0004/1220926/Frontier-Economics-Combined-Report-Final-for-distribution.pdf

¹⁷ CSIRO, *National Hydrogen Roadmap*, CSIRO, Canberra, 2018, pg. 82.

¹⁸ University of Queensland Energy Initiative (2016), *The NSW Climate Change Policy Framework – important considerations for taking the aspirational goal seriously. A public interest discussion paper.*

In Victoria, the CarbonNet Project is investigating a commercial scale carbon capture and transport network from the Latrobe Valley to offshore storage sites in the Bass Strait.

Western Australia is host to one of the world's largest commercial carbon capture and storage projects at the Gorgon LNG project.

In NSW, planned exploration drilling to identify suitable geological storage reservoirs for CO₂ has been delayed by an inability to access funding from the NSW Coal Innovation Fund, which is dedicated to funding the research and development of low emissions coal technologies. The funds should be released as a priority and the NSW Government should fast track investment in the identification of suitable CO₂ storage sites for NSW industry with an aim to make NSW storage-ready by 2030.

7. Initiate regulatory reforms to stimulate investment in mining to drive the NSW economic recovery

Improving the efficiency of the complex regulatory and administrative framework that applies to the minerals industry will help stimulate mining investment and drive the economic recovery.

Key areas that the NSW Government should focus on include:

- Addressing systemic issues and under-resourcing in water licensing and approvals teams – administrative delays and errors in water licensing and approvals is inhibiting industry compliance, growth and drought planning.
- Making the biodiversity offsets framework more workable - changes are required to the Biodiversity Offsets Payment Calculator to provide reasonable prices for offsets, and payment of the Total Fund Deposit (TFD) for mine owned offsets should be deferred to free up significant capital.
- Strengthening EP&A Act integrated approval requirements relating to roads work approvals and road closures – Road closures are not part of the integrated approval framework for State Significant Development (SSD0029, despite being the subject of comprehensive assessments throughout the process. They should be incorporated into the SSD framework. While roadworks approvals must be granted consistently with the SSD approval, consideration should be given to mandated time frames or arbitration processes for approvals to be given.

The NSW Government should continue to work with industry to identify and deliver priority reforms.

8. Allow the Mine Safety Levy, Administration Levy and Rental Fees to be deductible expenses from royalties

The Ministerial Determination under section 283(5) of the *Mining Act 1992* dated 31 December 2008 sets out allowable deductions in the calculation of the value of coal recovered by a leaseholder (for the purposes of calculating royalties). These allowable deductions include:

- The Australian Coal Association Research Program coal research levy
- Mine subsidence levy under the *Mine Subsidence Compensation Act 1961*
- Commonwealth levy for long service leave under the *Coal Mining Industry (Long Service Leave) Payroll Levy Act 1992*
- Mines rescue levy under the *Coal Industry Act 2001*

However, the Mine Safety Levy under the *Mine Safety (Cost Recovery) Act 2005* and the Administrative Levy and Rental Fee under the *Mining Act 1992* are not given equivalent status as allowable deductions, meaning tax is being paid on a tax.

Including these levies as allowable deductions in royalty calculations for coal and other minerals would have minimal impact on overall royalty take but make a tangible difference for those paying the taxes.