

Senate Standing Committee on Economics

ANSWERS TO QUESTIONS ON NOTICE

Treasury Portfolio

Budget Estimates

1 June – 3 June 2010

Question: BET 387

Topic: Mining Tax & Share Prices

Hansard Page: Written

Senator EGGLESTON asked:

1. In evidence to the Finance and Public Administration Committee, Mr Crafter, Chief Executive officer of ARIA, was asked about his discussions with investment managers about the proposed changes to mining taxes. He answered yes, and the feedback he had received on the tax is that, and I quote: “the impact on net present value of the minerals sector is on average in the order of 10 per cent”. Has Treasury received any advice or conducted any analysis of the likely impact of the proposed mining tax on company value and therefore on share prices?
2. What would be the effect in turn on retirement income through superannuation?

Answer:

1. The RSPT is no longer Government policy.