

**Senate Standing Committee on Economics****ANSWERS TO QUESTIONS ON NOTICE**

Resources, Energy and Tourism Portfolio

Budget Senate Estimates

31 May 2011

**Question:** **BR1**  
**Topic:** **Coal Industry**  
**Proof Hansard Page:** **9-10, 15**

**Senator Cameron asked:**

**Senator CAMERON:** I want to come back to this last point—I mean, \$1 billion over 10 years. Do we have a figure for the profitability of the coal industry in this country?

**Mr Clarke:** I do not have that at hand.

**Senator CAMERON:** Can you take that on notice?

**Mr Clarke:** Certainly.

**Senator CAMERON:** I want to know what a billion dollars is as a percentage of the profitability of the coal industry over that 10 year period.

**Mr Clarke:** Thank you, Senator. I will take that on notice.

.....

**CHAIR:** We will recommence, and continue with the resources and energy section of the Department of Resources, Energy and Tourism. Senator Cameron has a clarification of his question on notice.

**Senator CAMERON:** Mr Clarke, I asked you about profits. I am sure that you do not have a crystal ball that enables you to look at the profits 10 years hence, so could you look at the profits 10 years back and then compare that to \$1 billion. What percentage that is of the profits of the previous decade for the coal industry?

**Mr Clarke:** Yes.

**Answer:**

The answer to Senator Cameron's question on coal industry profitability is provided in the table below:

Year	Black Coal Mining Industry – Operating Profit Before Tax - \$ Billion	\$1 Billion as a Percentage of Operating Profit Before Tax
2002-03	3.607	27.7 %
2003-04	1.690	59.2 %
2004-05	4.982	20.0 %
2005-06	9.894	10.1 %
2006-07	7.939	12.6 %
2007-08	7.653	13.0 %
2008-09	26.636	3.8 %
2009-10	12.678	7.9 %
Total over 8 years	75.079	1.3 %

Notes:

1. Data based on Australian Bureau of Statistics (A BS) Catalogue No 8155 – various issues
2. Data on Operating Profit Before Tax for Black Coal Mining Industry not collected by ABS prior to 2002-03