



# MEDIA RELEASE

## MINERALS COUNCIL OF AUSTRALIA

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### **Productivity Commission confirms Australian mining not subsidised**

#### **Statement from Tania Constable, Chief Executive Officer**

Today's release of the Productivity Commission's *Trade and Assistance Review 2017-18* again explodes the myth that the Australian mining industry is subsidised.

The report states that: 'The estimated effective rate of assistance from tariff and budgetary assistance for mining is negligible.'

The effective rate of assistance is the ratio of total assistance to output.

The Productivity Commission estimates that the effective rate of combined assistance to mining in 2017-18 was just 0.2 per cent – the same low rate observed in the previous five years.

74 per cent of budgetary assistance attributed to mining consists of R&D tax offsets, which are available to all industries.

Further, mining incurred a net tariff penalty of \$102 million in 2017-18, owing to tariffs imposed on imports used in Australian mining operations.

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