



The following statements have been released by resources companies in response to the Queensland Government's decision to increase coal royalties in the state budget:

Coronado Global Resources

Attribute to Coronado Global Resources

Coronado Global Resources is disappointed by the increase in coal royalties announced by the Queensland state government.

Coronado supports commentary from the Queensland Resources Council who have articulated the risks of raising royalties without industry consultation and the negative impact these higher taxes will have on investment. While the sector has benefitted from the recent strong pricing cycle, royalties paid to the state government under the now legacy royalty arrangements have also been highly elevated.

Coronado continues to be a significant employer of choice in Queensland and already makes significant economic contributions to both federal and state government and the community. We continue to pay our share of royalties, corporate tax, payroll tax, land tax, tenement rentals, and financial provisioning scheme deposits.

Unlike some of our peers, Coronado is a geographically diversified metallurgical coal producer with operations in Queensland and the United States. Our high-quality Buchanan and Logan met coal mines in the United States will not be impacted by this royalty increase.

Companies will always consider investment decisions on a case-by-case basis, and the imposition of additional royalties on Queensland business puts it at a competitive disadvantage to lower cost jurisdictions within Australia and overseas.

BHP

Attribute to Edgar Basto, President Minerals Australia, BHP

“We are deeply concerned about the negative impact this new tax will have on production, jobs and the communities of Central Queensland. The cost of doing business in Queensland is already high, and further cost pressures will discourage investment, operational growth, job creation and local business spending across the state.

“A new tax damages Queensland's reputation as a stable place to invest, and will make it harder for the state to compete against other global jurisdictions in attracting major new investments that would deliver longer term value to communities and the state economy.”

Bravus Mining and Resources

Attribute to a Bravus Mining and Resources spokesperson

This latest Queensland Government cash grab from the resources sector not only threatens the livelihoods of hard-working regional Queenslanders, but also the future and prosperity of communities like Townsville, Rockhampton, Clermont, Moranbah, Emerald and Mackay.

Our industry carried Queensland through the global pandemic, creating jobs and contracting opportunities for thousands of workers and injected billions of dollars into the state at a time of great uncertainty.

Investing in and operating coal mines requires stable government policy and now the Queensland Labor Government has made a decision which will seriously impact the competitiveness of our industry. This means that new investment in coal projects and the jobs that go with it are more likely to occur in places other than Queensland.

It beggars belief that once again regional Queenslanders are being fleeced to plug Labor's budget black hole in Brisbane.

Bowen Coking Coal

Attribute to Executive Chairman Nick Jorss

“We are extremely disappointed in the way this massive royalty hike has been implemented without any consultation upon an industry that already pays billions of dollars annually in taxes and royalties to fund schools, hospitals and services for all Queenslanders. Bowen is a local Queensland business built from scratch, not an international mining house. We are creating over 500 Central Queensland jobs as we open three metallurgical coal mines this year to supply the global steel industry. This proposed tax grab would permanently bake in Queensland as 2 the regime with the highest royalties in the world, ostensibly to solve a near term Government funding issue. This raises substantial risks to further investment in Queensland mining and regional Queensland jobs. I believe it is important that the Government now sits down with the industry to try and find a workable and equitable solution.”

Anglo American

Attribute to acting CEO of Anglo American in Australia, Nick Barlow

“Queensland’s coal royalty rates were already amongst the highest in the world. This new tax is inconceivable, and it will place a heavy burden on our sector and Queensland mining regions.

“Our steelmaking coal business in Australia competes for capital against other options within our global diversified mining portfolio, and the new extraordinary progressive tax tiers will hurt the business case for new investment.

“Significant capital investment is required to sustain mining operations, including in constructing and preparing mining areas, mining equipment and infrastructure.

“In a highly cyclical business, we need higher price periods to make these investments, which not only create jobs and support our regions, but also benefits the Queensland economy.

“We estimate the new tax will mean that we will now contribute around 60% of our profits to Governments, when you take into account state and federal taxation.”