



# Media Release

## Senator Mathias Cormann *Shadow Minister for Employment Participation, Apprenticeships and Training*

10/0705/M

5 July 2010

### **Impact on jobs and investment worse under 'Gillard deal': Treasury**

At a hearing of the Fuel and Energy Committee this morning Treasury confirmed that the impact on jobs and investment in the mining industry would be worse under the deal negotiated by Julia Gillard than under the RSPT.

This is what Dr Henry said during the hearing this morning:

***CHAIR**—Given that under the MRRT expanded PRRT arrangements there will not be a refund of state royalties for those lower profit or marginal projects, then it stands to reason that the same conclusion cannot be reached now and the impact on investment and jobs would have to be worse now compared to what it would have been — (under the RSPT).*

***Dr Henry**—You mean in aggregate. We think that is the case. We agree with you on that.*

Treasury Executive Director, Revenue Group David Parker also confirmed that no request had been made by the Gillard Labor government to conduct any modelling or other assessment of that deal on jobs and investment in the mining industry.

"When Kevin Rudd announced the original RSPT, however flawed, they released KPMG Econtech modelling including the expected impact on jobs and investment in the mining industry," Shadow Employment Participation Minister Mathias Cormann said.

"Now the Gillard government is flying blind when it comes to the impact of its deal on jobs and investment," he said.

"Julia Gillard should request urgent modelling of the impact of her deal with a small number of big mining companies on jobs and investment and release the results before she calls the election," Senator Cormann said.

#### **MEDIA CONTACT:**

Senator Cormann - 0411 874 546  
Joe Shanahan (Media Adviser) - 0411 222 420