



AUSTRALIAN CAPITAL TERRITORY

**SUBMISSION TO THE
COMMONWEALTH GRANTS COMMISSION'S
COMMISSION POSITION PAPER 2008/10:**

Mining Revenue

January 2009



Introduction

The 2010 Review has been run as an iterative process between the Commonwealth Grants Commission (the Commission) and the States and Territories (the States) over the course of the past four years. As part of this process the ACT has provided a number of submissions in response to the Staff and Commission Discussion Papers, incorporating subsequent multilateral and bilateral discussions with Commission staff and other States. These submissions outlined the ACT's position as to the validity of the conceptual case behind a number of assessments and the proposed assessment methodologies.

It is noted that in some instances the position adopted by the Commissioners, as detailed in the latest Commission Position Papers, is at odds to those of the ACT. In the interests of brevity the ACT has not sought to reiterate the entirety of its previously stated position unless new data or new thinking has been applied. In this light, a lack of objection does not imply support where such support has not been previously stated.

General Comments

Overall, the Commission's endeavours to simplify this assessment is supported.

As a city-state with no mining industry, the ACT's overarching position is that data for the revenue base should be fit-for-purpose and the methodology should accurately reflect State circumstances and their relative capacity to raise mining revenues. It is noted that the Commission's preference to base the assessment on value of production using ABS data generally accords with these requirements.

Furthermore, the treatment of Grants in lieu of royalties by Actual Per Capita is supported.

