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NSW COAL ROYALTY BOOST SHOWS GOVERNMENT STANDING UP TO COAL LOBBY TO ACT IN PUBLIC INTEREST

Tim Buckley, director, public interest think tank [Climate Energy Finance](#), said:

“CEF welcomes and applauds the politically courageous [announcement by the Minns government in NSW](#) today that it will increase the state’s coal royalties to generate a total of \$2.7 billion for NSW over four years from 2024.

“The government said it would use the extra revenue to provide cost-of-living relief and to rebuild essential services, including housing supply, filling 1112 nursing positions, out-of-home care for state wards and foster children, and ensuring there are enough teachers in schools.

“From July 1, 2024, the new rate for open-cut mining will be 10.8%, while the rate for underground mining will be 9.8% and the rate for deep underground mining will be 8.8 per cent. The rates are currently 8.2%, 7.2% and 6.2% respectively.

“CEF has [long been calling for a progressive NSW coal royalty scheme](#) to generate revenues for alleviation of cost of living pressures and energy poverty in the state, following the leadership of QLD. In that state, Treasurer Cameron Dick’s progressive coal royalty scheme, from 7-40% of revenues depending on coal prices, introduced at the height of coal price hyperinflation, delivered a >\$10bn bonanza to the Budget, enabling the government to apply a \$550 electricity bill rebate for all households (\$1,072 for more vulnerable homes) – more than any other state across Australia – and offsetting the fossil fuel-driven energy price crisis.

“CEF prefers the Queensland government’s progressive royalty approach, which only applies in full less than once a decade or even more infrequently, at times of coal export sector superprofits, but an increased share in NSW to guarantee a fairer return to public coffers is definitely a good start.

“The previous flat 6-8% coal export royalty rate in NSW was long overdue for review and uplift. The NSW decision today is an example of our government finally standing up to the self-serving coal lobby and acting in the public interest to ensure an appropriate return to the people of the state from the use of its finite sovereign public assets, appropriately applying the proceeds to alleviate the energy poverty the fossil fuel industry has inflicted on consumers as it rakes in superprofits.

“It is imperative that the revenue generated is not used to subsidise the continued operation of coal power in the state, including the [end-of-life Eraring coal power station due for closure in 2025](#), but applied to reduce cost of living pressures and support essential services, as per the government’s commitments made today.”

Tim is available for interview on 0408 102 127 or via Annemarie on 0428 278 880.