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20 May 2019

Mr Carl Askew Chief Executive Officer Shire of Wyndham East Kimberley PO Box 614 KUNUNURRA WA 6743

By email to: ceo@swek.wa.gov.au

Dear Sir

SUBMISSION - DIFFERENTIAL RATING 2019/20

Thank you for the opportunity to make a submission regarding the proposed rates for 2019-20.

We note that valuations provided by the Valuer General are used to calculate mining tenement rates, and these valuations are based on the rent imposed by the Department of Mines, Industry Regulation and Safety. Any increases in the rent therefore result in an increase in valuations and in turn an automatic increase in rates.

Effective from 1 July 2018, the Department increased the rent rate by 1.5% for exploration licences and 6% for all other mining tenements. From 1 July 2019, the Department will increase exploration licence rents by a further 1.5% and the rent of all other mining tenements by a further 6%.

The resource sector is already one of the most significant contributors to the State's economy, with the WA Government receiving royalty revenue totalling 5.8 billion in 2017–18 – a major proportion of the State's annual revenue. It is also one of the most significant employers in the State, with the WA minerals sector employing over 120,000 people in 2018.

To encourage the continued contributions made by the resources sector to the State economy it is critical that all government fees are set so as to reduce the cost of doing business in the State in the face of significant international competition wherever possible, and increase and incentivise investment in local exploration to discover vital new resources for the whole of the State.

We note that the Shire has proposed an increase in the UV Mining and UV Mining Exploration and Prospecting rates and minimums for 2019-20. We ask that you consider that the increase in rent will already result in an automatic increase in rates in your budget modelling, and consider maintaining or reducing the rates for the 2019-20 year, noting the current minimum for UV Mining remains one of the highest in the State.

I would be happy to discuss this matter further on (08) 6467 7997.

Yours sincerely

Shannon McMahon **Director**