

# MEDIA RELEASE

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## **Budget lays appropriate platform for further reforms, says resource industry**

*The national resource industry employer group – AMMA (Australian Mines and Metals Association)  
Statement by Chief Executive, Steve Knott.*

WHILE wider reform required for a prosperous and competitive Australia extends well beyond what the budget can deliver, the Abbott government's 2015-16 Federal Budget provides an appropriate platform for long-term fiscal repair.

The resource industry will remain a key pillar of Australia's national economy. However, given its cyclical nature, AMMA has long supported moves to strengthen and diversify other sources of national revenues. This is increasingly important in 2015-16 due to the significant deterioration in commodity prices and the subsequent reduction in government receipts.

AMMA welcomes the Northern Territory fund designed to support private companies in building major projects such as pipelines, ports, rail lines and electricity infrastructure, and to increase trade with our Asian neighbours.

We further welcome the unlimited small business tax write-off on any asset purchase up to \$20,000 and the 1.5% reduction in corporate tax rates for companies turning over less than \$2 million. These small businesses form a critical part of the supply chain to a successful resources sector.

The next stage of tax reform is to extend this reduction to all businesses. This will stimulate growth throughout our economy, create job opportunities in businesses of all sizes, make Australia more attractive to investors and reduce complexities with what is now a dual-tiered tax structure.

AMMA would have preferred not to see the zone tax offset for Fly-in Fly-Out workers abolished. This was premature given both the federal government's tax discussion paper and the current Queensland FIFO inquiry were in the process of properly reviewing the merit of these arrangements.

FIFO employees may be well remunerated, however they fulfil an essential and often challenging role in our national economy. Those of us working in air conditioned CBD offices mustn't lose sight of the 12 hour days they often endure, in far remote areas and while away from their families.

The people who are prepared to undertake FIFO work arrangements in order to get ahead are exactly the type of Australians the Treasurer is calling on – those who will 'have a go'. Any decisions on the financial support they receive must be very well considered.

This 2015-16 budget is fundamentally about stimulating economic growth, advancing employment opportunities, increasing trade with our international neighbours and improving our national productivity. As the Abbott government promotes its budget, it is important that it keeps sight of other key reforms that would greatly assist in achieving these objectives.

One key priority area must be fundamentally reforming our workplace relations system.

We also call on the Senate, including independents and minority party members, to not only pass the government's prudent budget measures, but to further engage on other measures to improve the productivity and competitiveness of all Australian enterprises.

For more information on AMMA's campaign towards a more competitive and productive workplace relations system, visit [www.amma.org.au/backontrack](http://www.amma.org.au/backontrack).

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