

Newcrest joins gold industry to fight royalty increase

In Kalgoorlie today Newcrest Mining joined the West Australian gold industry to fight the Government's hit on jobs in Western Australia.

Newcrest views the proposal to increase the gold royalty by 50% as bad policy which threatens the viability of mines which employ large numbers of people, directly and indirectly.

Newcrest's Telfer gold mine in the Pilbara has operated for many years and has more than 1,500 people working at site. Those workers live all over Western Australia. For every one worker directly employed at the mine, up to another four workers support the operation of the Telfer mine.

These men and women have been working hard to improve our productivity and profitability, which is a growing challenge for Telfer and others in the industry given declining ore grade and the high cost of operating in regions like the Pilbara. This new hit would undermine these efforts and take a very significant percentage of the profit from this large but low profit margin mine.

The Government's attempt to fix the budget shortfall by hitting jobs as well as reducing investment in the state makes no sense. It is also a back flip on the pre-election commitment to not increase taxes.

Jobs and investment drive economic growth. Cutting jobs cuts economic growth. No business wants to see cuts to economic growth. Business expects that no government would want to see cuts to jobs and economic growth either.

Newcrest is a member of the Chamber of Minerals and Energy (WA). To keep up to date please:

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