



## 2023-24 Budget Paper No. 1 – Budget Statement

### Corrigendum

The following errata have been identified in Chapter 4: Revenue of the *2023-24 Budget - Budget Paper No. 1: Budget Statement* released on 19 September 2023.

- Page 4 - 4: For the measure description of 'Increased coal royalty rates', it is stated that 'This measure is estimated to increase coal royalties revenue by \$2.7 billion over the four years to 2027-28'.

The correct timeframe should be 'the four years to December 2027'.

- Page 4 - 17 Box 4.4 Coal royalties: It is stated that 'This change will raise an estimated \$2.7 billion over the four years to 2027-28...'

The correct timeframe should be 'the four years to December 2027'.

The online version has been corrected and the revised sections are shown below.

### **Increased coal royalty rates**

The Government will increase coal royalty rates from 1 July 2024. This measure will contribute to fiscal repair and ensure that New South Wales receives a fair return on its natural resources in the current market environment of persistently high coal prices. This measure is estimated to increase coal royalties revenue by \$2.7 billion over the four years to December 2027. For more information see Box 4.4.

#### **Box 4.4: Coal royalties**

The Coal Market Price Emergency declaration will end on 30 June 2024. Thereafter, coal royalty rates will increase by 2.6 percentage points to ensure that the people of New South Wales receive a fair return for the natural resources the State owns. From 1 July 2024, royalty rates will increase from 8.2 per cent to 10.8 per cent for open cut coal; from 7.2 per cent to 9.8 per cent for underground coal (mines less than 400 metres below ground); and from 6.2 per cent to 8.8 per cent for deep underground coal (mines more than 400 metres below ground).

Coal royalties were last changed in January 2009, when rates were increased by 1.2 percentage points. Between then and July 2021, export thermal coal prices averaged around US\$85 per tonne. Since 2021, a range of external factors, including the Russian invasion of Ukraine, has led to an unprecedented surge in the price of energy commodities, including coal.

The increase in coal royalty rates ensures New South Wales continues to receive a fair return on its natural resources in the current market environment of persistently high coal prices. This change will raise an estimated \$2.7 billion over the four years to December 2027 and provide an ongoing lift in royalty revenue over the long-term.