



Our Ref: DM#7277066

25 January 2017

Mr Michael Callaghan AM  
Petroleum Resource Rent Tax Review  
Australian Treasury  
Via email to [PRRTReview@treasury.gov.au](mailto:PRRTReview@treasury.gov.au)

Dear Mr Callaghan,

As Mayor of Toowoomba Regional Council (TRC) and Chair of the Darling Downs and South West Queensland Council of Mayors (DDSWQ-COM), I wish to make comment to assist the Petroleum Resource Rent Tax (PRRT) Review.

Toowoomba is the administrative, social infrastructure, transport and logistics hub for the south/central Queensland resources industry. The ten local governments making up DDSWQ cover 25% of Queensland by land area, and encompass much of the resource-rich Surat Basin, as well 75% of the state's grains and pulses production and 25% of its cattle. The conduct of extractive industries and the liveability and viability of the rural and regional communities within our combined area, which is the size of Sweden, are of vital interest to us all.

It is clearly vital that our nation gets a fair return from the commercial depletion of its finite petroleum fuel reserves. As local governments, we do not have relevant expertise to assist the Review's consideration of the best rental / taxation regimes to maximise this without stunting the industry. I feel this is best addressed by the experts in the field.

However, what we as local governments can comment on, is how the funds generated can best be used.

The first "Issue for Comment" in the PRRT Review Issues Note issued by Treasury on 20 December 2016 invites comments on:

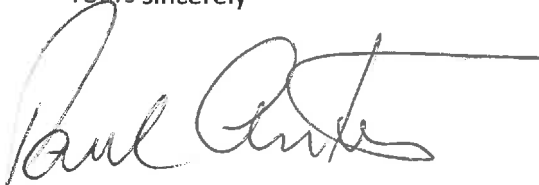
- *The overall performance of the PRRT, excise and associated Commonwealth royalty arrangements and whether they are operating as intended.*

If the intention of the rental taxation regime is to benefit the Australian community, I feel strongly that it is those parts of our nation most in need of support and most affected by these extractive industries that should be given priority in the application of the funds. After all, landscapes, communities and local infrastructure need to be rehabilitated once the available resources are exhausted. What more appropriate source to address these needs than the share of returns from extraction.

We are strongly in support of establishing a national 'Royalties for Regions' funding program as a priority use of petroleum resource extraction returns to the Commonwealth. Such a program should address both infrastructure needs and programs that promote liveability and long-term sustainability in rural, regional and remote communities. Our survival as a self-sustaining nation depends on these communities.

I and my colleagues across the Darling Downs and South West Queensland region stand ready to assist in developing such a program and ensuring its success.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Paul Antonio', with a long horizontal flourish extending to the right.

Cr Paul Antonio

**Mayor, Toowoomba Regional Council, and**

**Chair, Darling Downs and South West Queensland Council of Mayors**