

45/2018 Hon. Jiosefa Dulakiverata to ask the Minister for Industry, Trade, Tourism, Lands and Mineral Resources – Can the Minister advise the House on the total amount of royalty paid to resource owners for Low Value Minerals and Materials (LVMM) such as gravel, since the 2013 Constitution came into effect.

Low Value Minerals and Materials (LVMM) such as gravel are not classified as mineral under the Mining Act 1965. The Act clearly stipulates minerals as precious metals; precious stones; earthy minerals; radioactive minerals; coal and metalliferous minerals.

Therefore, under the 2013 Constitution gravel cannot be defined as mineral and cannot fall in the category that would designate it as being part of the proposal for the Fair Share of the Mineral Royalty that the constitution dictates. But there is a royalty that is paid to the resource owners currently that is a portion of the royalty paid to the State for gravel. The current break down is \$2.00 plus VAT per cubic meter of which resource owners receive 50 cents.

Since inception of the 2013 Constitution, the total sum of gravel royalty paid is \$1,406,649.06. Of this amount \$315,025.05 has been paid to the I Taukei Affairs for distribution to the relevant resource owners; this is subject to the applicable VAT rate from 2013 till today.