

The mining sector paid GHc893.77 million in corporate tax to the Ghana Revenue Authority (GRA) in 2012. Dr Toni Aubynn, Chief Executive Officer of the Ghana Chamber of Mines, said the amount represented 36.98 percent of the total GRA tax collected within the period. Dr Aubynn said this during a media briefing on the activities of the chamber and mining companies in Sunyani.

He said the sector contributed about GHc1.46 billion to the GRA, representing 27.04 percent of the Authority's total direct tax in 2012. He said the mining sector continued to be the number one tax payer and highest contributor to GRA's domestic collections. Dr Aubynn said companies returned about 3.2 billion dollars, representing 73 percent of their mineral revenue, through the Bank of Ghana and the commercial banks in 2012, against the statutory requirement of a minimum of 25 percent.

He said the sector voluntarily contributed an amount of about GHc26 million to its host communities and the general public, adding that the companies engaged 21,239 people directly, of which 334, representing two percent, were expatriate workers.

Dr Aubynn said Ghana's cash cost for gold production in 2012 was 809 dollars per ounce, compared to the global average cash cost of 744 dollars per ounce. Global all-in cost of gold production was up to 11.4 percent from 1,079 dollars per ounce in 2011, to 1,202 dollars per ounce, he said.

This, Dr Aubynn explained, had reflected a higher rate of increase in total cost of gold production relative to the appreciation in average gold price of 6.2 per cent over the same period. He said with the cumulative effect of recent changes in the mining industry's fiscal regime and slide in the price of gold, it would be suicidal for the government to introduce a windfall tax.

He said it would be appropriate if government rescinded its decision to introduce the tax to boost investment in the sector.

*Source: GNA*