

# PM faces a stoush with states over royalties cap

Clancy Yeates

JULIA GILLARD is facing a showdown with the resources boom states over the controversial mining tax, after the government's panel urged it to put a stop to future rises in state royalties.

The expert panel handed down advice yesterday on how to best implement the tax agreement reached in secret talks with the big miners weeks after Kevin Rudd was deposed as prime minister.

In a win for the big miners, the report recommended the government refund miners for all future state royalties – a point miners claimed was part of the agreement in July with the government.

But the panel, led by the former BHP chairman Don Argus, also urged Canberra to prevent the states bumping up future royalties, as this would mean handing them a blank cheque.

While miners welcomed the report, Western Australia and Queensland fiercely defended their right to increase royalties, a key source of revenue.

The Queensland Premier, Anna Bligh, said the state had a constitutional right to collect royalties on resources extracted from the ground, and the mining tax was a federal matter.

"We reserve the right to set appropriate royalties returned to Queenslanders for the minerals that are taken out of our state," Ms Bligh said.

"If that has consequences for federal arrangements then that's something that would need to be negotiated between the mining companies and the federal government."

The Western Australian Premier, Colin Barnett, said he would "never agree to the Com-

monwealth imposing a cap on our state royalties."

"The minerals belong to the people of WA, and the WA government will always retain the right to either increase or decrease the royalty rates as circumstances dictate."

To resolve the impasse, the federal government said it would begin talks with the states, but it may need to threaten cuts to grants in order to bring the premiers on side.

The federal Treasurer, Wayne Swan, said the government had "dozens" of mechanisms it could resort to in its effort to bring the states to the table, though he did not specify the approach it would take. Instead, he appealed to national interest, arguing co-operation would help address the challenges of a two-speed economy posed by the resources boom.

"There's a wider imperative here than just the notion of where the royalty regime goes; it's where our economy goes in the future," he said in Canberra. "I don't believe states are going to go down the route where they make the industry uncompetitive."

The mining tax has been a persistent policy headache for the government this year. Mr Swan said the pre-election clash with mining heavyweights had been a "bruising" encounter.

The chief executive officer of the Minerals Council of Australia, Mitchell Hooke, said it was "imperative" the promise to credit royalties was included in legislation.

Parliament is expected to debate the mining tax early next year, giving the government only months to include a deal with the states in the bill.

with Philip Wen

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The house that Mathew built ... Mr Joinson with his partner, Joella Bryant, and their two children, Oscar and Lilly. Photo: Peter Rae

## Home is where the hard work is for young builders

Hamish Boland-Rudder

MATHEW JOINSON and Antonio Lolesio held a pre-Christmas lunch at their four-bedroom house in Shalvey yesterday, just days after they put the finishing touches to the building.

Over the past six months both Mr Joinson, 21, and Mr Lolesio, 19, have received paid, on-the-job training as a part of the Affordable Housing for Life project, which helps "at-risk" youths gain valuable employment skills as they build a house in which they are then able to live.

The first house to come out of

the project was completed on Monday, just in time for a celebratory lunch at yesterday's official opening.

"I feel very, very proud," said Mr Joinson, who moved in to the house on Monday night with his partner, Joella Bryant, and their two children, Oscar, 1, and Lilly, 2. "I've been here since the start, and now I'm moving my family in to here. It's a very good feeling."

Mr Joinson spent his teenage years living in and out of youth refuges before the responsibilities of fatherhood motivated him to join the project.

He has now completed a certi-

ificate II in building and construction, secured an apprenticeship as a carpenter, and hopes when he completes his qualifications he will be able to "run another crew of kids" through the project.

Also aiming to become a qualified carpenter, Mr Lolesio says that working with other people was one of the most important skills he learnt from the program.

"We always stood up for each other, and looked after each other," he said. "If you stick as a team you'll get the job done."

The project, which is being co-

ordinated by Marist Youth Care in conjunction with five other charities and construction companies, has helped 21 youths find employment in the construction industry over the past six months.

"We're not just building a home, we're building spirit for these kids," said the project manager, William Rak.

"It's the lifetime opportunity to be fully employed. That's the outcome that you want."

One of the success stories of the project has been Jerome Grantham, 18, who was struggling to find work before becoming a trainee at the Shalvey

house. "It was pretty hard for me to get a job. No one would give me a chance."

Mr Grantham has since been offered an apprenticeship with a construction company, and hopes to become a developer. "I'm trying to actually become something with my life and trying to get somewhere."

Marist Youth Care used the opening of the house to announce an expansion of the project, aiming to start work on 50 new houses over the next 12 months, opening employment opportunities for 75 new participants.

## Revenge the goal of teen posting AFL nudes

ST KILDA's captain, Nick Riewoldt, says he has never met the teenage girl who posted nude photographs of him and two AFL teammates on the internet, adding he is "distressed" at the situation.

The 17-year-old girl posted the photos of Riewoldt, Nick Dal Santo and Zac Dawson on Facebook on Monday and vowed to release more pictures of footballers yesterday afternoon, despite the Federal Court ordering her not to.

She said on national television last night she intended releasing more photographs and other

information she claims incriminates AFL players.

Riewoldt, 28, said the photo of him was taken by teammate Sam Gilbert a year ago during a holiday in Miami as he was getting out of bed. Gilbert has confirmed he was the photographer.

"For the record, I have never met the person who published the photograph on Facebook or who owns the Facebook site," Riewoldt said.

Gilbert also confirmed that Riewoldt "has never met and does not know" the girl who admits she posted the photographs. The player apologised



Nick Riewoldt



Nick Dal Santo

to his teammates for the scandal he has inadvertently dropped them in.

The teenager who posted the photographs claims to have taken them herself and that the players consented. She denies

she tried to sell them, despite several media outlets claiming they were approached by the girl shopping the images around.

"I know a few media outlets have found out about them and I showed them, but I never once

asked for money," she told ABC Radio yesterday.

The girl this year claimed to have become pregnant to a St Kilda footballer while a schoolgirl, but the baby was stillborn. She was interviewed by police and the AFL at the time, and two players were cleared of inappropriate behaviour.

She said she was not in it for the money and was driven by revenge. "I just wanted to get back at them, basically, because ... just the way I was treated by the AFL. It wasn't right," she said.

AAP

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## Riewoldt could sue teammate

NICK RIEWOLDT could sue his teammate Sam Gilbert for breach of confidence for taking a photo of him naked and he could also take action against the girl who put it on Facebook.

Lawyers say taking such action is one option available to the Saints captain.

Riewoldt could also launch a defamation claim against the girl, Facebook, Twitter or anyone who republished the photo.

Riewoldt said that Gilbert had taken a picture of him naked in Miami a year ago. He had asked Gilbert to delete it.

St Kilda says the photos were then removed from Gilbert's computer without permission.

The Saints chief executive, Michael Nettlefold, said a nude picture of St Kilda's Nick Dal Santo – which the girl posted on Facebook – was also taken off Gilbert's computer.

The girl says she took the photos, downloaded them and emailed them to herself.

Steve White, a lawyer with White Computer Law, said it was likely some legal action would follow against the girl.

Selma Milovanovic

Ron Medich ... released with a tracking device. Photo: Wolter Peeters

"The market suggests there are opportunities there at the moment, and I'm looking to buy more," Mr Medich said.

The Medich brothers started off with hotels but made their fortune from property developments in the western suburbs. The pair made their debut on the BRW Rich List in 1995, with a net worth of \$135 million.

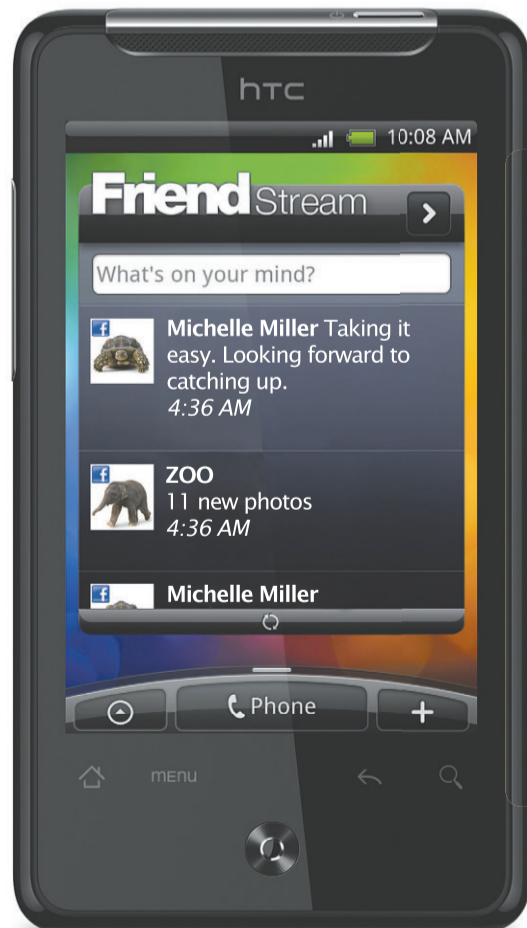
Three years later they began construction of their flagship Norton Plaza shopping centre in Leichhardt. It cost them \$23 million to build. It was sold in 2007 for \$112 million.

After its sale the brothers split their business interests. Roy Medich was not involved in the disputes which his older brother later had with Michael McGurk.

Police allege Ron Medich, 62, was the mastermind behind the murder of Mr McGurk which they claim was over millions of dollars which Mr Medich believed Mr McGurk owed him.

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