

**Embargoed to 6am**, Thursday, 24 June 2010

## Here's the truth on mining: profits have grown by more than eight times wages

Big mining companies have not been telling the Australian public the truth and should admit that they are making astronomical profits and can afford to pay more tax, say unions.

A new national poll released today reveals that two-thirds (65%) of Australians believe large companies should pay more tax.

The poll finds average Australians and mining workers are benefiting the least from the mining industry while company owners and executives are seen as getting the most benefit.

In a strong endorsement of the Rudd Government's mining tax package, nearly two thirds of Australians (61%) agree that the wealth generated by selling Australia's natural resources should go towards better superannuation for working Australians.

ACTU Secretary Jeff Lawrence says mining companies and the Coalition have been misleading about the industry's wealth and should withdraw their relentlessly negative advertising campaign against the Resource Super Profits Tax.

"Once the facts are examined objectively, it becomes indisputable that mining companies can afford to put more back into the Australian community," Mr Lawrence said.

"The mining sector has been incredibly profitable over the past decade because of soaring commodity prices. Official ABS data shows pre-tax profits for the mining industry have increased by 530% - more than eight times the rate of wages growth for mining workers.

"It's time the mining companies put more back into the Australian community and stopped gilding the lily about the truth of their profits.

"These natural resources belong to all of us, and everyone should get a fair share from selling them. The workers who dug them out of the ground haven't, and neither have the rest of us.

"All working Australians will benefit from the mining tax through increased superannuation, more infrastructure and tax cuts."

The Australian mining sector has been Australia's most profitable industry over the past five years, earning a total of \$204 billion in pre-tax profits since 2004-5 (ABS catalogue 8155.0). Yet less than 10% of the total income earned from mining has been paid in wages and salaries to its workforce.

A national poll of 1066 Australians conducted for the ACTU by Essential Research finds:

- 53% of people, once told that mining is the most profitable industry, agree that mining companies should pay a higher rate of tax than other industries.
- Only 13% felt that average Australians benefited from mining and 23% that mining workers benefited, while 70% believed that mining owners and management benefited.
- 93% agree that mining companies should put something back into the local community.
- 61% agree that the wealth generated by selling Australia's natural resources should go towards better superannuation for working Australians.

**Media contact:**

Mark Phillips ph (03) 8676 7266 or 0422 009 011; [mphillips@actu.org.au](mailto:mphillips@actu.org.au)