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## Self-interested mining companies should not stand in way of fairer tax and more superannuation: unions

At a meeting of the national Community Tax Forum being held today (Wednesday), unions will advocate for further progressive tax reform by the Government as a new analysis shows the Resource Super Profits Tax and a package of other tax reforms would boost the economy and create jobs.

ACTU Secretary Jeff Lawrence said unions were united in their backing of the proposed Resource Super Profits Tax which will improve the fairness and efficiency of Australia's tax system and strengthen the national economy.

Working Australians want to make sure that Australia is not diverted from the path to fair tax reform by powerful vested interests among big businesses, Mr Lawrence said.

"The RSPT is a major first step in the direction of a fairer, more efficient and sustainable national tax system," Mr Lawrence said. "The new tax on mining will be good for the economy and good for working Australians.

"Modelling demonstrates that tax reforms including the RSPT will boost the national economy by 0.7% a year and investment by 2.1%. It will mean the creation of more jobs for Australians, higher wages and stronger local industry.

"The RSPT will encourage development of job-intensive projects that may otherwise have not been given a green light. Jobs will also be created through a lower corporate income tax rate, especially in small business.

"Working people will also directly benefit from the new tax on mining super profits because it underwrites better retirement incomes by funding an increase in the superannuation guarantee to 12%.

"It will also fund tax benefits on savings accounts and deductions for many low and middle income families.

Mr Lawrence said the mining sector should pay its fair share of tax for benefitting from the natural resources that are owned by all Australians.

"We can only sell our natural resources once and must make sure all Australians benefit. The big multinational miners and their CEOs have been pocketing cash from the minerals boom for years and it's time ordinary Australians got a fairer share. After all, the nation's minerals belong to all of us.

"Mining profits bounced back by 9.2% in the first quarter of this year, yet over the past decade as the prices of Australia's resources – particularly iron ore – have soared on global markets the return to taxpayers through company tax has halved. The advertising campaign by the big miners is motivated solely by self-interest, not the national interest. They cannot even get other major business groups to back their stance."

Mr Lawrence said the ACTU supported key recommendations of the Henry Review of Taxation, welcoming the increase in superannuation and other measures put forward by unions.

"We want to see action on our other proposals including for more consistent tax treatment of investment income.

"The regressive effect of a proposed flattened personal income tax scale, and an absence of firm proposals to stem tax avoidance through private trusts and companies are areas of weakness.

"The Henry Review is a useful platform for long-term reform and unions will continue to push for further changes to deliver fairness for working people. We want to see the tax system strengthened to meet the challenges of tomorrow, including greater equity, an ageing population, climate change and necessary social and physical infrastructure," Mr Lawrence said.

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