



COMMONWEALTH OF AUSTRALIA

PARLIAMENTARY DEBATES



HOUSE OF REPRESENTATIVES

Federation Chamber

CONSTITUENCY STATEMENTS

Multinational Tax Avoidance

SPEECH

Wednesday, 14 September 2016

BY AUTHORITY OF THE HOUSE OF REPRESENTATIVES

SPEECH

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Questioner		Responder	
Speaker	Albanese, Anthony, MP	Question No.	

Mr ALBANESE (Grayndler) (10:56): I rise to recognise *The hidden billions* report compiled by Oxfam Australia in June of this year. In 2014 it is estimated that tax-dodging multinationals operating within this country shifted \$19 billion in profits offshore, depriving the Australian public of approximately \$6 billion in tax revenue. This is money that could have gone into essential public services such as schools and hospitals in this country, or could have gone towards nation-building infrastructure. Furthermore, the report commissioned a poll that revealed 90 per cent of Australians want this government to prevent all multinational corporations operating in Australia from moving their profits to tax havens overseas in order to avoid paying their fair share here.

There is a real human cost to this practice, both at home and abroad. Multinational corporations based in Australia and operating overseas are responsible for depriving developing countries of tax revenue. Large developing countries such as India and Brazil, as well as neighbouring countries such as Papua New Guinea, Indonesia, Thailand and the Philippines, are being starved of millions of dollars in tax revenue, and Australian-based multinationals are part of the problem. In the Philippines an estimated 1,700 new classrooms could be built per year up to 2020 with these concealed profits. Over the next five years Oxfam estimates that Indonesia will be deprived of US\$360 million that could go towards education, and Papua New Guinea, one of Australia's poorest neighbours and a recipient of substantial investment from Australia, stands to lose around \$17 million in expenditure that could go to providing essential services like health and basic infrastructure.

If more is not done to close tax loopholes, the report estimates that tax-dodging Australian based multinationals will deprive developing countries of a further \$2.1 billion in public education and \$1.5 billion in health, water and sanitation services. Oxfam is calling on the Australian government to make transparent the tax affairs of large multinationals. This means modifying current legislation so that multinational companies which function in or from Australia report publicly on their incomes, employees, profits earned and taxes paid in every country in which they operate. This will make it harder for multinationals to hide their profits in offshore tax havens—in turn, providing much needed revenue to develop essential public services for both Australia and for our developing neighbours.