



COMMONWEALTH OF AUSTRALIA

PARLIAMENTARY DEBATES



HOUSE OF REPRESENTATIVES

BILLS

**Tax Laws Amendment (Combating
Multinational Tax Avoidance) Bill 2015**

Consideration of Senate Message

SPEECH

Thursday, 12 November 2015

BY AUTHORITY OF THE HOUSE OF REPRESENTATIVES

SPEECH

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Questioner		Responder	
Speaker	Morrison, Scott, MP	Question No.	

Mr MORRISON (Cook—Treasurer) (11:05): I move:

That the amendments be disagreed to.

The government is acting to ensure multinational corporations pay their fair share of tax in Australia, where they earn that income, and we have put forward well-considered legislation that achieves this objective.

The opposition say that they like to support these goals, but yet when called upon to support this well-considered legislation, which is needed to ensure that multinational corporations pay their fair share of tax, the opposition chose to play politics and block this critical piece of the government's tax integrity plan last night with the amendments that have now come before the House. Not once between the former Treasurer introducing the Tax Law Amendment (Combating Multinational Tax Avoidance) Bill 2015, on 16 September 2015, and the Senate's decision yesterday did the opposition or crossbench raise with me as Treasurer—or with the former Treasurer—that they had any concern with this piece of legislation. Not once did Labor or the crossbench ask to meet with me to discuss this legislation.

Instead, after years of work—by the OECD; the Treasury; the Australian Taxation Office; the government—and after hundreds of meetings and discussions—consultation with stakeholders and experts considering all the requirements, consequences and implementation issues; a committee report from the Senate which included Senators Xenophon and Labor Senator Dastyari and which recommended the bill be passed, with no dissenting report—the Senate, on the run and at the last minute, has sought to dramatically amend this bill and to include a raft of peripheral additions. This is a very shabby and irresponsible way to deal with such a serious issue. This is a very shabby process that cannot be supported and should not be encouraged.

The opposition have failed to act in good faith and failed to be part of a sensible discussion and process on this issue. They have chosen cheap, opportunistic politics over good policy process. This is the type of cynical, old politics that Australians are sick of. It is very disappointing. The government are setting a new tone in politics in this country. The opposition remain locked in the old politics of the past. The opposition are following a very similar path, as we know, when it comes to issues of changing the tax system. So haphazard was the way the proposed amendments came about that there were no less than six proposed amendments circulated.

This is not how you make policy; it is policy on the run. The government will not accept a cobbled together, last minute, back of the envelope amendment which seeks to re-write our tax integrity measure that has been drafted to be consistent with the G20 OECD BEPS program as part of a two-year process. What is more concerning is that the amendment which the Senate is asking this House to consider repeals another law, the better targeting income tax transparency measure, which the Senate passed a mere three weeks ago.

Suddenly, a number of senators admitted yesterday that they did not understand the bill when they voted on it—that is their right—and got it wrong and they wanted to vote it out. This type of flip-flopping may be acceptable to the authors and supporters of these amendments, but it is not how the Turnbull government does business and sets policy. The government will not support law made on a whim. These admissions by certain senators that they got it wrong a few weeks ago provide me with no confidence that these same senators are now able to make a clear decision on this incredibly important area of law.

But I finish on this point, Mr Acting Deputy Speaker Goodenough: the government will take the time to carefully consider the issues raised in these amendments, who might be affected, the potential unintended consequences and whether there is any real substance to what is being proposed by the Senate. I will consult with the Commissioner of Taxation next week and discuss with him these new obligations to be imposed, as proposed, on businesses and how they might in anyway assist to improve our taxation system, because, at the end of the day, that is what the government are interested in. I will consult with senators who are prepared to engage in good faith on this issue, and I am disappointed they failed to do this so far up until this point.

This government are interested in getting the policy right, not playing politics like the opposition have done. The government are not rejecting the consideration of the issues raised in these amendments, rather the appalling process that has produced these amendments, which give me no confidence as to their veracity and merit at this point. And that is why the government will not accept these proposed amendments and the appalling manner in which they have been put forward. What we are interested in doing is considering the issues raised, but we will not endorse this shabby process sponsored by the opposition.