THE SENATE
PROOF
BILLS
Australian Business Growth Fund Bill 2019
In Committee
SPEECH
Thursday, 27 February 2020

BY AUTHORITY OF THE SENATE
Senator PATRICK (South Australia) (13:43): I'll take you back to the election campaign. You might remember the 'watergate' affair that involved Minister Angus Taylor and the properties of Clyde and Kia Ora in Queensland. I remember the now quite famous interview that Mr Barnaby Joyce gave on radio. During that interview he was asked whether he knew if the company that the Commonwealth was dealing with had any related entities in the Cayman Islands. His answer was no; he had no idea. I'm not saying that in the context of any sort of pejorative remark; I'm simply saying that the process in place didn't necessarily require the Commonwealth to ask the question of the entity they were dealing with whether or not they had related entities in tax havens. So it was beyond the purview of the minister in making that decision. I put it to you that unless you put active requirements in place to require people who have investment control to look at those sorts of arrangements then it's very likely that they won't. So, again, my question is: is the government placing a requirement on the board to look at that or is it considering placing a requirement on the board to do that? I ask this in the interests of the Australian taxpayers, because we often end up with companies here in Australia siphoning off profits to these places and we don't get tax coming into consolidated revenue. That means we don't pay for education services and health services, and we don't get to pay for infrastructure, police services or national security. So it is really important to make sure, particularly noting that we are contributing to this to the tune of $100 million, that that money is not then used to in some way minimise tax. In relation to the board, what protections will the Commonwealth seek where it is known that companies who make application have a related entity in a tax haven? And, if they do, what sorts of requirements might be placed on them with respect to transparency?