

Tax forum to pave way for all Australians to have a say on future reforms: unions

The upcoming Tax Forum must not become a platform for the business lobby to push for corporate tax cuts, but allow all Australians with the opportunity to have a say on the future direction of our nation's tax system, say unions.

ACTU Secretary Jeff Lawrence said unions welcomed the decision of the Government to invite representatives from all sections of the community to take part in the forum in October.

"The tax system belongs to Australians, not just big business so we are pleased to see with the release of the discussion paper that the Government is committed to hearing from all corners of the community," Mr Lawrence said.

"Unions will make sure working Australians have a say in how tax is calculated and distributed. We will be active participants in the tax reform debate in the lead up to and during the forum, as well as beyond.

"We want to ensure Australia's future includes a tax system that can raise enough revenue to fund high-quality services to the community, including health, education and social welfare. It must also be able to meet the future challenges associated with this as our population ages.

"But the biggest challenge for the Government will be to ensure the tax system raises revenue in a way that is equitable and progressive, and makes Australia a fairer place.

"To do this, the Government must not cave to the self-interested campaigns of big business, particularly miners who generate the biggest share of Australia's profit pie.

"The Government must not forget that every Australian who works for a mining company generates \$1 million in company profits. It is time big business contributed its fair share."

Mr Lawrence said unions would focus on specific areas of reform in its contribution to the forum, including:

- Further reducing the effective marginal tax rates faced by some part-time workers, building on the reforms the Government has already announced in this area;
- Making sure business continues to pay at least the same proportion of total tax revenue it does today;
- Ensuring everyone pays their fair share of tax and reducing opportunities for tax avoidance through contracting and trusts;
- Improving equity of taxes on superannuation and reducing concessions enjoyed by high income earners;
- Addressing the aspects of the tax system that undermine housing affordability; and
- Exploring ways the tax system can promote environmentally sustainable behaviour, building on the Clean Energy Future package and the Government's reforms to fringe benefits tax on cars.

Media contact: Rebecca Tucker ph (03) 9664 7359 or 0408 031 269; <u>rtucker@actu.org.au</u>



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