



# Making Multinationals Pay Their Fair Share

21 JULY 2023

Senate Standing Committees on Economics  
PO Box 6100  
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Dear Committee Secretary

## Treasury Laws Amendment (Making Multinationals Pay Their Fair Share – Integrity and Transparency) Bill 2023 [Provisions]

The joint divisions of the Community and Public Sector Union (CPSU) represent the people working in the Commonwealth, State and Territory public sectors and are committed to providing a strong voice for our members in key public policy debates. We welcome the opportunity to make a submission to this inquiry into the Treasury Laws Amendment (Making Multinationals Pay Their Fair Share – Integrity and Transparency) Bill 2023 [Provisions].

Our members support the community and the economy through their work in school education, health, public housing, employment, justice, human services, customs, justice system, corrective services, police support, transport and roads, water and energy utilities, biosecurity, agriculture and land management, disability services, emergency services, youth justice, child protection, the tax office, TAFE, and universities, to name a few. These are the workers we turn to in a crisis, and who support our communities to develop to their full potential.

Increasingly our members are facing tighter budgets which impact on the ability to meet the community's needs in many areas. Meanwhile the pay and conditions of public services are falling behind competitors, and this means Government's are struggling to attract and retain the staff they need.

Housing supply, increased waiting times for public services, infrastructure blow outs, increased children in care, increasing closing the gap targets, falling educational outcomes, skills shortages, falling emergency service response times are amongst the symptoms of this lack of resourcing.

Tax avoidance by multinational corporations reduces the funding available for the essential public services that we all rely on.

And while the CPSU welcomes this Bill as a step in the right direction, there is still much more to be done to tackle tax dodging by multinational corporations.

[Treasury Laws Amendment (Making Multinationals Pay Their Fair Share – Integrity and Transparency) Bill 2023 [Provisions]]:  
CPSU submission

The Australian people need stronger laws and more transparency on multinationals tax affairs in order to raise the additional revenue needed for public investments that will create a better society and stronger economic future for all of us. Australia can and should be a world leader on this.

The CPSU endorses the submissions made by the Australian Council of Trade Unions (ACTU), the Public Services International (PSI) and the joint submission by the Centre for International Corporate Tax Accountability (CICTAR) and Tax Justice Network (TJN) to this inquiry.

The CPSU supports the Bill's requirement for Australian public companies to disclose all subsidiaries, rather than just those in jurisdictions that could be regarded as 'tax havens' as important step for greater transparency.

The CPSU also shares concerns raised in the CICTAR-TJN submission about the Bill's current thin capitalisation provisions and that it will continue to allow corporations to avoid paying tax through excessive interest deductions. The CPSU endorses the CICTAR-TJN recommendations made to limit the ability of corporations to do this.

CPSU notes that the Government has delayed the introduction of country-by-country reporting pending further consultation. This is disappointing.

CPSU recommends that the Government proceed with public CBC reporting, and adopt the Global Reporting Initiative standard rather than the flawed European Union standard.

The Global Reporting Initiative (GRI) has developed a tax standard for country-by-country reporting that is highly regarded internationally. The standard is supported by large global corporations and some of the world's biggest investors. A public country-by-country reporting standard would enhance transparency consistent with the goals of the Government's legislation. Adoption of the GRI standards would remove one of the most important barriers to tackling corporate tax avoidance in Australia and globally.

If you require any further information, please do not hesitate to contact Osmond Chiu, CPSU-PSU Senior Policy and Research Officer, via email at

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Yours sincerely

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