



COMMONWEALTH OF AUSTRALIA

PARLIAMENTARY DEBATES



THE SENATE

PROOF

**QUESTIONS WITHOUT NOTICE:
TAKE NOTE OF ANSWERS**

Taxation

SPEECH

Monday, 25 June 2018

BY AUTHORITY OF THE SENATE

SPEECH

<p>Date Monday, 25 June 2018 Page 52 Questioner Speaker Colbeck, Sen Richard</p>	<p>Source Senate Proof Yes Responder Question No.</p>
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Senator COLBECK (Tasmania) (15:11): Senator Singh talks about being out of touch, but her presentation on taking note, just then, demonstrates just how out of touch Labor really is. In fact, the topic that she chose to take note on, the question from Senator Chisholm, shows how low the Labor Party has sunk in the politics of envy and how far out of touch they genuinely are about what's happening in their communities, that they would go down this line. The suggestion raised in the community locally by the former ALP member for Braddon—who hung on for months longer than she should have done, regarding her citizenship—that there are only 10 businesses in Braddon that will benefit from the extension of the tax cuts, shows how out of touch Labor is. They don't understand the operation of the economy in our electorates.

For example, there are 3,817 people employed by Wesfarmers in Tasmania. Wesfarmers' registered office is in Western Australia. The Labor party don't count them—Wesfarmers and Coles—because they are based in Western Australia. There's the suggestion that there is no benefit to the people of Braddon or Tasmania from the tax cuts. A quick google is done by the opposition, to work out that there are 10 businesses in Braddon that have their corporate headquarters there, and they forget about all the others. That includes Tassal and Huon Aquaculture, who have significant operations on the west coast of Tasmania, in Braddon, where they create jobs and invest their returns to grow the economy, to build one of the biggest aquaculture sectors in Australia. In fact, aquaculture is the one thing Tasmania does in a greater sense than any other state in Australia. Because Tassal and Huon Aquaculture have their headquarters outside of Braddon, the Labor Party don't count them. There's no benefit to Braddon from the fact that they get an advantage there. And MMG in Rosebery has its corporate headquarters in Melbourne. The Labor Party don't count MMG, but MMG employ 411 people in its mine at Rosebery.

That's how far out of touch the Labor Party are when they're trying to construct these arguments about the benefits of this government's tax plan. They're not interested in how the spread works out through the broader economy. They're not interested in the fact that these companies invest their profits back into the business to the benefit of these communities.

So there are thousands of employees who benefit through their companies from the tax regime, from keeping the economy strong and from growing the economy and growing jobs. Even our local newspaper, *The Advocate*, is not included, because Fairfax are headquartered in Sydney—even that newspaper, that business that operates and influences our region. A quick google from Ms Justine Keay, in an attempt to get her head around the economic issues, leaves them out. Just because an ASX 200 company isn't headquartered in Braddon doesn't mean it doesn't have an influence and it doesn't mean that it doesn't have an effect.

This just shows how low the Labor Party have gone and also how out of touch they are when they're considering the impact of a strong economic plan like the one the government is looking to put in place. When companies are globally competitive, as they need to be—such as the vegetable processor at Turners Beach, which employs over 300 people and has a turnover in excess of \$50 million—they are restricted in their capacity to reinvest in their business by the attitude of the Labor Party. They're not interested in those people. They try to play the politics of envy. They try to play one business off against the other. But the effect of that is a weakening economy, because that's the way Labor operates.

Just to repeat something I mentioned here in a previous contribution—and it's something the Labor Party actually used to believe—cutting the company tax rate increases domestic productivity and domestic investment. More capital means higher productivity and economic growth, and leads to more jobs and higher wages. Bill Shorten used to believe that. (*Time expired*)