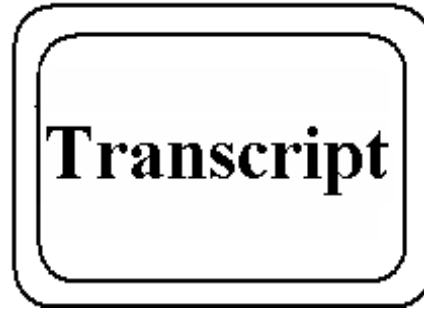




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Transcript
of
Senator Nick Sherry
Assistant Treasurer

ABC Radio 936 Hobart Statewide Mornings

Interviewer: Tim Cox

31 May 2010

11.35am

E&OE – PROOF ONLY

SUBJECTS: Resource super profits tax & advertising campaign

TIM COX: That's part of what Senator Abetz had to say, he did say yes, the Coalition has form when it comes to political advertising and he spoke in particular in the way WorkChoices was promoted, but he says that the campaign to counter the misinformation, as it was put, on the mining tax is absolutely disingenuous. The Assistant Treasurer Nick Sherry has been waiting to add a little fuel to this particular fire. Senator Sherry good to talk to you again, good morning.

NICK SHERRY: Good morning Tim, good morning to your listeners.

COX: How pressing is this need, politically, really?

SHERRY: Well it's very pressing because there are a number of frankly wrong or false claims being made by a sector of the mining industry, that are just totally wrong. They made a number of claims including the new mining super profits tax is to pay the budget deficit, they argue they pay enough tax, they argue it'll hit the cost of living, they argue it'll hurt the broader economy, they argue that they've pulled Australia out of recession – all those claims are just wrong. And the Government is determined to ensure that the super profits tax as part of tax reform is introduced so we can reduce taxes in other parts of the economy.

COX: Should the campaign to inform though take place once the tax becomes law, rather than now while it's still a theoretical measure?

SHERRY: Well the big mining companies are running a very, very substantial misinformation campaign, as I've said, in a number of areas which is just clearly wrong, it's not borne out by the evidence. Because they don't want to pay any tax, full stop. They don't want to provide additional tax revenue from resources that are owned by the Australian people, not owned by the mining companies. They just don't want to pay anything.

COX: Why should the Australian Government care what level of information or misinformation the mining sector is putting out as fact?

SHERRY: Because the big mining companies want to knock this tax off. They don't want to pay the mining super profits tax, that's their objective. And they're making all sorts of incorrect claims as to why they shouldn't pay this mining super profits tax. As I said, for example, they claim it's going to the budget deficit – it's not, the revenue from the mining super profits tax is going to reduce company tax, it's going to reduce tax on superannuation, it's going to improve the claims, the deductibility write-offs for small business, it's going to a range of other reforms. It's not going to the budget deficit and this is just one example of a number of wrong claims made by the big end of town and the mining sector.

COX: Now the final question goes back to the word, the absolute 100 percent guarantee that the then-Opposition Leader Kevin Rudd gave in November 2007, that the cancer of political advertising would not be a factor of his government. Are you prepared for the Government, of which you're a part, a senior part, to be absolutely belted by those for breaking that covenant?

SHERRY: Well, what I think's important is if we look at the Howard Government's spending - \$420 million on the reforms implemented for the new tax system, that was principally the GST. By comparison, the \$38.5m that will be spent over the next two years, principally around the mining super profits tax, but not solely - that pales by comparison to the Howard Government's performance. They also spent \$121m on advertising WorkChoices.

COX: But are you prepared for your government to be belted with that same stick for a campaign of this nature?

SHERRY: Oh look, what I'm prepared for as a minister in the Government is to argue, to continue to argue the mining super profits tax is for the good of the country. It's for the national good and we need to be explaining that and one effective way to explain that is to rebut the false claims being made by the large mining companies. I'm prepared to wear criticism as a member of the Government, but we're determined to rebut this false campaign being run by these large mining companies.

COX: Thanks for your time Nick Sherry.

SHERRY: Thanks Tim, good morning to you and your listeners.