

28 April 2023

Mr Marty Robinson
International Tax & Treaties Branch
Corporate and International Tax Division
Treasury
Langton Cres
Parkes ACT 2600

Submitted by e-mail: MNETaxTransparency@treasury.gov.au

Dear Mr Robinson,

ActionAid Australia welcomes the opportunity to make a submission to Treasury's consultation on draft legislation to implement public country-by-country reporting.

ActionAid is a global women's rights organisation that empowers women on the frontlines of injustice to mobilise and transform their communities. We work in more than 45 countries to support women to understand their rights, reflect on the people and systems that affect them, and harness their collective power to change their lives and positions in society. Over the past year ActionAid Australia has reached over 3.5 million people through direct support to partners in 19 countries with the support of the Australian Aid Program.

ActionAid is a member of the Tax Justice Network Australia and we would like to endorse their submission to this enquiry and proposed amendments to the draft legislation. ActionAid commends the Government on drafting this legislation to implement public country-by-country reporting, alongside other proposed multinational tax reforms. Ensuring multinationals pay a fair share of corporate income tax is critical in addressing poverty and gender-inequality in low-income countries.

The OECD estimates that as much as USD 100-240 billion revenue is lost every year due to tax avoidance, with low-income countries the most impacted.¹ This loss of revenue impacts on government's ability to fund universal and accessible public services, which are critical for poverty alleviation and progressing gender equality. Women and girls are most affected when public services are diminished or go unfunded. This can reduce access to education, healthcare and other support services, with gender-responsive services including reproductive health care particularly at risk. The reduced availability and accessibility of public services also

increases women's unpaid care and domestic work as they pick up the slack where services are no longer affordable.

The COVID-19 pandemic has demonstrated the need for significant investment in public health systems and other public services, with resource limitations meaning that healthcare and social protection systems in many developing countries have been chronically underfunded and unable to keep up with additional demand. In this context, increasing income tax revenues from multinationals and reducing tax loopholes is essential in addressing global poverty and inequality and supporting progress towards the Sustainable Development Goals. The implementation of public country-by-country reporting for all large multinationals operating in Australia is an important tool in increasing transparency and reducing tax avoidance, as such ActionAid welcomes Australia's leadership on this issue and fully supports the implementation of this legislation.

Yours faithfully,

A handwritten signature in blue ink, appearing to read 'MHigelin', with a long horizontal stroke extending to the right.

Michelle Higelin
Executive Director, ActionAid Australia