

Thanks for the opportunity to comment on the Petroleum Resources Rent Tax that is under review at the moment.

It is very complex and I admit I stalled trying to read the Explanatory Memorandum, but this does not mean that I underestimate the innate unfairness of the current tax or lack of it.

What I know:

What our governments raise in tax and what they spend it on is a matter of choice. Choices matter - consider Norway and Qatar that collect 20 times more in tax than Australia for the same amount of gas.

A simple principle of tax is that we should tax products we don't think are for the public good and want less of (cigarettes, alcohol, gambling) and subsidise industries that are beneficial and we want more of (healthcare, renewable energy, education, nature repair, liveable cities, happy populations).

80% of our gas is exported overseas. Gas companies drilling in offshore waters pay no royalties. Most of our gas is 'gifted' to gas companies and in response some pay as little as 1% company income tax, and some of the biggest (eg ExxonMobil, Shell, Chevron etc) pay none, though this loophole is not exclusive to gas and oil companies. These companies are making record profits in the billions of dollars. Australia is being gouged and our governments are submitting like inferiors. This is our gas being exploited and we are paying through climate catastrophes.

Currently the HECS (Higher Education Contribution Scheme) raises more money than the PRRT. This can be fixed - remember the choices.

60% Australians acknowledge the innate unfairness of our current system. This governments' very weak review PRRT proposal will raise \$600million, while that of the Greens will raise \$1.3 Billion per year. This is what 60% Australians want

Oil and Gas are major contributors to global heating through their carbon emissions (fugitive methane, or when the product is burned) and this is costing Australians and our governments billions of dollars each year in heatwaves, drought, fires, floods and other personal costs of intense climate disasters. Climate heating is causing serious and probably irreversible harms to nature and our iconic Australian places, plants and animals.

Recommendations:

There should be NO 'deductible' expenses in the revised PRRT scheme, and theta paid should reflect both the super profits and the damage these industries cause

There should be no delay to when the taxes commence- revised PRRT should commence with first oil or gas production.

The PRRT should reflect the profits earned from our 'free' gas and oil, and the damage done to our climate in the process

What to spend the PRRT on: Remember that choices matter

Nature repair. The fossil fuel industries are causing extreme damage to our natural environment with increasing numbers of species and ecosystems on the threatened, endangered or nearly extinct list.

Renewable energy. Let's both use that in Australia and export it to assist our neighbours. Globally, we are all in the same climate crisis.

Health, education, liveable cities. Our government could choose a future for our children and nature, and ensure that the people they represent are healthy and happy. Our governments should make different choices and make the polluters pay.

Yours sincerely,
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