



Media Release

Senator Alan Eggleston

Liberal Senator for Western Australia

Rudd relying on student paper for RRT should be a joke

24th May 2010

Senator Eggleston is shocked at the revelation that a student's working paper at a South Carolina University is being used as hard evidence for validating the Rudd Government's new tax on the resources sector.

The Senator said he was stunned to hear today that the Rudd Government had relied on a paper by an American student as the basis of the Resource Rental Tax.

"This should be a joke but sadly it is not," said Senator Eggleston.

"The fact that the author could not differentiate between Australia and New Zealand is more than concerning given the reliance the Labor Government has placed on this student's work, however this is just one of many serious flaws.

"Another glaring omission in the student's paper is payroll tax paid by miners and it also failed to include any royalties – if this Government wants to provide '*facts*' they are going to have to do much better than this," said Senator Eggleston.

"Already our international competitors are seeing the Rudd Resource Rental Tax giving them an advantage.

"I recently attended an Australia Indonesia Business Council breakfast where an Australian businessman worryingly stated that the view in Jakarta was that Indonesia now presented less sovereign risk to investors than Australia.

"If this Government continues to insist the resources industry is launching a scare campaign in light of comments such as these as well as the glaring reality of plummeting stock prices then we truly do have a blind administration willing to impose its damaging policies at all costs.

"When will this Government begin looking at real evidence, such as the decimation of thousands of Australian's superannuation funds and stop relying on sketchy support for their flawed policy, such as a graduate student's paper, poorly researched from the other side of the planet," said Senator Eggleston.

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