SENATE ECONOMICS REFERENCES COMMITTEE

INQUIRY INTO THE COMMITMENT TO THE SENATE ISSUED BY THE BUSINESS COUNCIL OF AUSTRALIA

WOODSIDE RESPONSE TO WRITTEN QUESTIONS ON NOTICE

Question 1:

Historical corporate tax paid

For each of the financial years ending:

- ***30 June 2013***
- ***30 June 2014***
- ***30 June 2015***
- ***30 June 2016***
- ***30 June 2017***

Can you please advise the committee of the:

- ***Australian Corporate Tax expense as listed in the income statement; and***
- ***Actual total Australian Corporate Tax paid to the ATO during the same calendar year and provide clarification where notable differences arise, for example deferred tax liabilities.***

Note: Other payments to government (e.g. royalties) and tax payments to other countries should be excluded from the figures reported.

Answer 1:

Financial year ended 31 December	**Corporate income tax expense** (USD)	**Corporate income tax paid (on a cash basis)** (USD)
2012 *(in lieu of the year ended 30 June 2013)*	$ 1,137 million	$ 577 million
2013 *(in lieu of the year ended 30 June 2014)*	$ 769 million	$ 911 million
2014 *(in lieu of the year ended 30 June 2015)*	$ 1,081 million	$ 550 million
2015 *(in lieu of the year ended 30 June 2016)*	$ 112 million	$ 793 million
2016 *(in lieu of the year ended 30 June 2017)*	$ 544 million	$ 172 million

The difference between Woodside's reported corporate income tax expense and the corporate income tax payments made in the aforementioned financial years primarily relate to deferred tax and timing of tax payments relating to those financial years.[1]

Question 2:

Business plans given current corporate tax arrangements

Given the Treasury Laws Amendment (Enterprise Tax Plan No. 2) Bill has not been enacted, could you please provide details of the following projections over the following financial years, assuming that the Treasury Laws Amendment (Enterprise Tax Plan No. 2) Bill is not enacted over this same period (using central case if multiple scenarios have been forecast):

- *Financial year ending 30 June 2018*
- *Financial year ending 30 June 2019*
- *Financial year ending 30 June 2020*
- *Financial year ending 30 June 2021*

The projections to be included in each of these periods are:

- *Total Revenue;*
- *Total Australian Corporate Tax expense;*
- *Total number of employees;*
- *Total expense for employee wages, salaries, superannuation, bonuses and other employee benefits;*
- *Total director and executive remuneration for C-suite executives and directors;*
- *Total dividends expected to be paid;*
- *Any plans for share buybacks during the period; and*
- *Total capital investment, itemised by:*
    - *Sustaining capital investment;*
    - *New capital investment (new assets, acquisitions and operations); and*
    - *And for each of sustaining and new capital investment categories – the total capital investment itemised by State and Territory.*

Please also list key assumptions that underpin the projections and any explanation that may be required.

Answer 2:

Woodside does not disclose the information requested, because it is highly commercially sensitive and subject to assumptions and variables that could render it misleading. The information would also be highly valuable to Woodside's competitors, including those in countries whose resources compete with Australia's for jobs and investment.

However, Woodside draws the Committee's attention to the submission by the Business Council of Australia and the modelled case studies contained within it.

[1] All amounts are denoted in US dollars, the currency in which Woodside's published consolidated financial statements are presented and reported in.

Question 3:

Business plans if the Treasury Laws Amendment (Enterprise Tax Plan No. 2) Bill is passed

If the Treasury Laws Amendment (Enterprise Tax Plan No. 2) Bill is enacted during calendar year 2018, could you please provide details of the following projections over the following financial years (using central case if multiple scenarios have been forecast):

- *Financial year ending 30 June 2018*
- *Financial year ending 30 June 2019*
- *Financial year ending 30 June 2020*
- *Financial year ending 30 June 2021*

The projections to be included in each of these periods are:

- *Total Revenue;*
- *Total Australian Corporate Tax expense;*
- *Total number of employees;*
- *Total expense for employee wages, salaries, superannuation, bonuses and other employee benefits;*
- *Total director and executive remuneration for C-suite executives and directors;*
- *Total dividends expected to be paid;*
- *Any plans for share buybacks during the period;*
- *Total capital investment, itemised by:*
  - *Sustaining capital investment;*
  - *New capital investment (new assets, acquisitions and operations); and*
  - *And for each of sustaining and new capital investment categories – the total capital investment itemised by State and Territory.*

Please also list key assumptions that underpin the projections and any explanation that may be required.

Answer 3:

As per response to Question 2.