



Mr Mark Fitt
Committee Secretary
Senate Economics References Committee
PO Box 6100
Parliament House
Canberra ACT 2600
E-mail: economics.sen@aph.gov.au

**Submission to Senate Economics References Committee for the
Inquiry into the Commitment to the Senate issued by the Business
Council of Australia
10 April 2018**

The Tax Justice Network Australia (TJN-Aus) welcomes this opportunity to make submission Senate Economics References Committee inquiry into the Commitment to the Senate issued by the Business Council of Australia (BCA). The BCA has been one of the leading bodies arguing for a reduction in corporate income tax, making all sorts of claims about the benefits such a cut have. In contrast to some of the claims the BCA has made it has supported cuts to penalty rates.¹

It is disappointing that a mere 10 CEOs were willing to sign the joint voluntary non-binding pledge to the Senate, out of the 132 corporate members listed on the BCA website, or less than 8% of the membership. It is hardly a ringing endorsement from the BCA membership for the pledge.

This submission is not as comprehensive as TJN-Aus would have liked it to be given there has only been one week's notice to make submissions. TJN-Aus would be able to expand the evidence to support its arguments should the Committee find such additional evidence useful, if more time was made available.

Lowering the corporate income tax rate in Australia will:

- Increase inequality in Australia, with inequality being increasingly shown to be a factor in undermining social cohesion in OECD countries;
- Make our tax system less progressive, meaning the wealthier Australians will contribute less to the provisions of services and law enforcement for a good society in Australia;
- Deliver more money to foreign shareholders, who do not pay tax in Australia; and
- Reduce revenue for services and law enforcement in Australia. The Commonwealth Government is already struggling to provide adequate funding for aged care, education, responding to family violence, combating rampant wage theft, tackling human trafficking, curbing cybercrime (including online child sexual abuse) and curbing fraud in both the public and private sectors² to name just a handful of areas where greater government revenue is needed.

We support the view of Adjunct Professor of Monash University, Stephen King, in his publicly stated view that:³

Would a global tax race of beggar thy neighbour by cutting company tax be good for Australia? The answer clearly is no. The best thing that a country like Australia could

¹ <http://www.bca.com.au/media/business-council-responds-to-penalty-rates-decision>

² <https://aic.gov.au/publications/sr/sr001>

³ Jessica Irvine, 'What economists think about corporate tax cuts', *The Age*, 24 February 2018, 13.

do is to try and use our influences on the international stage to make sure that does not happen. It's best to stop it.

Impact of Government Revenue Loss

There is no Commonwealth law enforcement agency that is adequately resourced to deal with the volume of harms and criminal activity taking place to the knowledge of TJN-Aus members. At the same time more funding is needed for a range of services from health, education, disability services, family violence services, housing, legal aid, alcohol and other drugs services, just to name a few. Thus, it is reckless for the government to be looking to give away more revenue to the private business sector when government is failing in so many of its basic functions to maintain a decent society.

Failure to provide adequate law enforcement impacts on the well-being of the community and on individuals being subjected to human rights abuses and other harms, but can further impact on government revenue. For example, the failure to adequately regulate and carry out law enforcement on VET sector providers saw VET FEE-HELP payments from government to VET providers increasing from \$325 million in 2012 to \$2.9 billion in 2015.⁴ By the government's own admission an alarming proportion of the funding has been wasted, paid by the government directly to con men and criminals. The government is now having to spend further revenue in legal actions to recover some of the funds.

Corporate Income Tax Give Away will drive up inequality

A cut in the corporate tax rate will increase inequality in Australia as the bulk of corporate income tax is a tax on capital. The US Treasury estimates that corporate income tax falls 82 % on capital and only 18% on wages.⁵

Piketty points out "there is a set of forces of divergence associated with the process of accumulation and concentration of wealth when growth is weak and the return on capital is high."⁶ His data shows substantial growth in income inequality in the OECD countries he examined and in the US this "spectacular increase in inequality largely reflects an unprecedented explosion of very elevated incomes from labour, a veritable separation of the top managers of large firms from the rest of the population."⁷ The work by Andrew Leigh suggests that Australia faces a similar problem with real wages for the bottom tenth having risen 15%, while wages for the top tenth have risen 59% in the period 1975 to 2010. Cumulatively, the increase in inequality over the past three decades represents a \$365 billion shift from the bottom 99% to the top 1%. His work found the richest 50 people in Australia have more wealth than the bottom two million.⁸

Piketty points to increasing wealth inequality, which he argues is the result of the rate of return on capital remaining significantly above the growth rate for an extended period of time.⁹ He points out the consequence is:¹⁰

⁴ Australian Government, 'Redesigning VET FEE-HELP. Discussion Paper', 2016, p. 15.

⁵ Tax Justice Network, 'Ten Reasons to Defend the Corporate Tax', 2015, p. 28.

⁶ Thomas Piketty, 'Capital in the Twenty-First Century', The Belknap Press of Harvard University Press, London, 2014, p. 23.

⁷ Thomas Piketty, 'Capital in the Twenty-First Century', The Belknap Press of Harvard University Press, London, 2014, p. 24.

⁸ Andrew Leigh, 'Gap between haves and have nots must be narrowed', *The Australian*, 21 April 2014.

⁹ Thomas Piketty, 'Capital in the Twenty-First Century', The Belknap Press of Harvard University Press, London, 2014, p. 25.

¹⁰ Thomas Piketty, 'Capital in the Twenty-First Century', The Belknap Press of Harvard University Press, London, 2014, p. 26.

.... the concentration of capital will attain extremely high levels – levels potentially incompatible with the meritocratic values and principles of social justice fundamental to modern democratic societies.

Emerging evidence links economic inequality with decreased psychological wellbeing and poor health. Wilkinson and Pickett's *The Spirit Level* linked directly the major health and social problems to levels of income inequality through an analysis of OECD countries. People living in unequal societies were several times more likely to be in jail, be mentally ill, be obese, be murdered and have higher infant mortality. Whilst there have been critiques of both their methodology and statistical analysis, their observations do point to inequality being a factor that impacts on many social indicators of well-being for a society.

Income inequality also impacts on people's opportunity to move beyond or out of their social sphere meaning the question of luck as to which sort of family you were born into becomes a large determinant of where you end up.¹¹

IMF staff report there is a tentative consensus in the literature that "inequality can undermine progress in health and education, cause investment-reducing political and economic instability, and undercut the social consensus required to adjust in the face of shocks, and thus that it tends to reduce the pace and durability of growth."¹²

The IMF staff report that lower net inequality is robustly correlated with faster and more durable growth, for a given level of redistribution.¹³

IMF staff have pointed out that measures that address inequality through redistribution do not necessarily have a negative impact on economic growth.¹⁴

Equality-enhancing interventions could actually help growth: think of taxes on activities with negative externalities paid mostly by the rich (perhaps excessive risk-taking in the financial sector) or cash transfers aimed at encouraging better attendance at primary schools in developing countries, as examples. The macroeconomic effects of redistributive policies will reflect a balance between the components of the fiscal package, and it is an empirical question whether redistribution in practice is pro- or anti-growth.

They declared that inequality is harmful for growth, that "lower inequality seems to be associated with longer growth spells"¹⁵, affirming the 2011 Berg and Ostry finding that "multi-decade and multi-country evidence demonstrates that greater equality can help sustain growth...apart from ethical, political, or broader social considerations."¹⁶

They found that redistribution appears generally benign in terms of its impact on growth; only in extreme cases is there some evidence that it may have direct negative effects on growth.

¹¹ A. Leigh, *Battlers and Billionaires: the Story of Inequality in Australia*, Redback, Collingwood, 2013, p.91.

¹² Jonathan D. Ostry, Andrew Berg and Charalambos G. Tsangarides, *Redistribution, Inequality and Growth*, IMF Staff Discussion Note SDN/14/02, February 2014, p. 4.

¹³ Jonathan D. Ostry, Andrew Berg and Charalambos G. Tsangarides, *Redistribution, Inequality and Growth*, IMF Staff Discussion Note SDN/14/02, February 2014, p. 4.

¹⁴ Jonathan D. Ostry, Andrew Berg and Charalambos G. Tsangarides, *Redistribution, Inequality and Growth*, IMF Staff Discussion Note SDN/14/02, February 2014, p. 4.

¹⁵ Jonathan D. Ostry, Andrew Berg and Charalambos G. Tsangarides, *Redistribution, Inequality and Growth*, IMF Staff Discussion Note SDN/14/02, February 2014, p. 21

¹⁶ Jonathan D. Ostry, Andrew Berg and Charalambos G. Tsangarides, *Redistribution, Inequality and Growth*, IMF Staff Discussion Note SDN/14/02, February 2014, p. 21

They conclude the combined direct and indirect effects of redistribution – including the growth effects of the resulting lower inequality – are on average pro-growth.¹⁷

Victoria University's Dr Janine Dixon has calculated there will be a net cut in living standards for ordinary Australians as a result of the proposed corporate tax give away, with leaving standards dropping by around \$1,600 on average.¹⁸ The high proportion of corporations operating in Australia that are foreign owned means more money would be lost in tax revenue and would have to be made up for by tax increases on lower income Australians (as the corporate income tax rate reduction would place pressure on the tax marginal tax rate for individuals) or through a loss of services and law enforcement resources.¹⁹

The push to Cut Corporate Income Tax has no end

There is no end to multinational enterprises (MNEs) seeking to lower corporate income tax. Globally, a number of MNEs already are paid by governments (having negative tax rates) and continue to seek ways to increase the amount of money they can extract from governments. For example, 26 of the 288 Fortune 500 companies that have been consistently profitable between 2008 and 2012 had negative effective tax rates (meaning in net terms they were paid by governments) over some or all of that period. Clearly many MNEs will continue to seek such an outcome no matter how low corporate income tax rates are cut to. Such lobbying will not stop even if the corporate income tax rate reached zero.

MNEs continue to seek to dodge paying taxes in the places where they are doing business, using artificial legal structures to shift profits to secrecy jurisdictions with little or no corporate income tax. A study drawing on US national accounts and balance of payments statistics show that 55% of the \$650 billion of foreign US corporate profits made in 2013 were attributable to six secrecy jurisdictions: the Netherlands, Luxembourg, Bermuda, Ireland, Singapore and Switzerland.²⁰ It has also been estimated that US MNE's paid around 3% taxes on profits booked in those six main low-tax jurisdictions in 2011,²¹ according to data from the US Bureau of Economic Analysis.²² The US lowering its 35% statutory rate is not likely to offer much of an incentive to reduce tax avoidance by MNEs that are currently paying approximately 3% on their profits.

Similarly a report by the French Parliamentary Accounts Committee showed that "large enterprises on average pay 8% corporate tax"²³, suggesting very substantial cuts in the corporate income tax rate would be necessary in France to erode the ability to profit from tax dodging.

For MNEs they win by playing governments off against each other to give away tax revenue to them, both as corporate income tax reductions and as direct payments and incentives,

¹⁷ Jonathan D. Ostry, Andrew Berg and Charalambos G. Tsangarides, *Redistribution, Inequality and Growth*, IMF Staff Discussion Note SDN/14/02, February 2014, p. 4.

¹⁸ Peter Martin, 'Hold your horses on tax', *The Age*, 22 February 2018, 20.

¹⁹ Peter Martin, 'Hold your horses on tax', *The Age*, 22 February 2018, 20.

²⁰ Gabriel Zucman, 'Taxing across Borders: Tracking Personal Wealth and Corporate Profits', *Journal of Economic Perspectives*, **28(4)**, Fall 2014, <http://pubs.aeaweb.org/doi/pdfplus/10.1257/jep.28.4.121>, p. 128

²¹ Gabriel Zucman, 'Taxing across Borders: Tracking Personal Wealth and Corporate Profits', *Journal of Economic Perspectives*, **28(4)**, Fall 2014, <http://pubs.aeaweb.org/doi/pdfplus/10.1257/jep.28.4.121>, p. 130

²² See Table II-D-I: Income Statement of Affiliates, Country by Account in 'U.S. Direct Investment Abroad: Operations of US Parent Companies and Their Foreign Affiliates, Preliminary 2011 Statistics', *US Bureau of Economic Analysis*, 2013, Available at: http://www.bea.gov/iTable/index_MNC.cfm

²³ National Assembly, 'Information Report: The Application of the Tax Measures contained in the Finance Acts', *The Commission of Finance, the Economy and General Budget Control*, no. 3631, <http://www.assemblee-nationale.fr/13/rap-info/i3631.asp>

and it is ordinary people who lose in this harmful game. Ultimately, more of the world's wealth is transferred to those who are already wealthy, at the expense of the well-being and standard of living of ordinary people and those already struggling to make ends meet.

Corporate Income Tax Give Away Undermines Progressive Taxation

Also, if the corporate income tax rate is reduced, it increases the incentives for wealthy individuals on the top marginal tax rate to have their income reclassified as corporate income and pay the corporate rate (at least on that part of their income caught under the top marginal rate). This activity will then be used to pressure the Federal Government to cut the top marginal tax rate of individuals, further eroding Australia's tax base and making the Australian tax system less progressive.

Corporations do not give away money in wage increases

The vast majority of MNEs do not give away profits to employees as wage increases. Many only increase wages when they are forced to, be it through needing specific skill sets for which there is a shortage and for which they must compete or through industrial action by their employees. Many MNEs which pay little or zero corporate tax are engaged in some of the worst wage and condition-cutting exercises in Australia. Swiss company Glencore, for example, locked out their Oaky North mining workforce for 238 days after they refused workers' offer of a 0% pay rise. ExxonMobil, which has not paid any corporate income tax since 2012/13 in this country and does not expect to until 2021, is currently cutting its gas maintenance workforce's wages by 30%.

Research from Germany found that the benefits to workers from tax give aways to corporations was unevenly distributed and was "close to zero" for large firms, firms that operated across borders and foreign-owned corporations.²⁴ The research showed that wages increases are correlated to the ability of employees to collectively bargain.²⁵

The experience of the tax give away to MNEs through the *Tax Cuts and Jobs Act 2017* in the US is that the vast bulk of that money has been used in share buybacks. So far corporations in the US have used US\$171 billion of the tax giveaway in share buybacks.²⁶ The Bank of America has predicted that the S&P 500 companies will use US\$450 billion of the tax give away and repatriated profits in share buybacks.²⁷ The tax give away showers cash on corporations indiscriminately, not just on those with great investment ideas. Some corporations now have extra cash but no ideas for productive investments, so their response is in turn to give it away top shareholders through higher dividends and share buybacks.²⁸

The share buybacks benefit the wealthiest Americans, with the wealthiest 10% of households in the US owning 84% of shares in 2016, according to NYU Professor Edward Wolff. The richest 1% owned 40% of shares.²⁹ Professor Lazonick of the University of Massachusetts Lowell has stated "If you want to understand why there is such extreme inequality, this use of corporate cash is a big part of it."³⁰

²⁴ Peter Martin, 'Hold your horses on tax', *The Age*, 22 February 2018, 20.

²⁵ Peter Martin, 'Hold your horses on tax', *The Age*, 22 February 2018, 20.

²⁶ Matt Egan, 'Tax Cut scoreboard: Workers \$6 billion; Shareholders \$171 billion' CNN, 16 February 2018.

²⁷ Matt Egan, 'Tax Cut scoreboard: Workers \$6 billion; Shareholders \$171 billion' CNN, 16 February 2018.

²⁸ Justin Wolfers, 'How to Think About Corporate Tax Cuts' *The New York Times*, 20 March 2018.

²⁹ Matt Egan, 'Tax Cut scoreboard: Workers \$6 billion; Shareholders \$171 billion' CNN, 16 February 2018.

³⁰ Matt Egan, 'Tax Cut scoreboard: Workers \$6 billion; Shareholders \$171 billion' CNN, 16 February 2018.

By comparison academics Rick Wartzman and William Lazonick have calculated that the promises to increase wages and bonuses to employees to be only US\$5.6 billion from S&P 500 companies, with only 50 companies in the S&P 500 making such promises.³¹ A survey of Morgan Stanley analysts found that just 13% of the tax give away will go to pay rises, bonuses and employee benefits.³² Even here, there are questions of the distribution of the benefits, with no reported analysis of what proportion of these increases in wages and bonuses will go to highly paid executives and what portion will go to workers on minimum wages.

Based on the BCA's survey of corporations, a similar outcome can be expected in Australia, with media reports indicating that more than 80% of chief executives saying they would use an Australian corporate income tax give away to boost returns to shareholders or invest in the company.³³

Combating Corporate Tax Avoidance not linked to Corporate Income Tax Rate

Lowering the corporate income tax rate is not an effective way to reduce tax avoidance by multinational enterprises (MNEs) or other businesses. The drivers for tax avoidance include the culture and ethics of the business, the risk of getting caught, the penalty if the business gets caught and the business' sensitivity to reputational damage even if there is no penalty from the jurisdiction in which the tax avoidance takes place. In the case of Australia lowering the corporate income tax rate from 30% to 25% will not be a deterrent if a business engaged in tax avoidance believes the risk of getting caught has not increased. Also, such a reduction comes at a large cost to government revenue, as all the companies not engaged in tax avoidance will pay less tax. The OECD has pointed out that the main challenge is that MNE's can still shift taxable profits to a related subsidiary in a low-tax secrecy jurisdiction even if the host country's corporate tax rate is low.³⁴

There are examples of jurisdictions with higher corporate income tax rates that are reported to have taken effective measures against MNEs tax avoidance. *The Huffington Post* reported that the Japanese corporate tax rate is in the range of 38-39%, much higher than the US, UK, and most other OECD countries.³⁵ At the same time Japan has the Tax Haven Counter Measure Law, which applies to any Japanese subsidiary in a low tax jurisdiction with a tax rate of 20% or less. Under this law, the Japanese parent company is taxed on the

³¹ Matt Egan, 'Tax Cut scoreboard: Workers \$6 billion; Shareholders \$171 billion' CNN, 16 February 2018.

³² Matt Egan, 'Tax Cut scoreboard: Workers \$6 billion; Shareholders \$171 billion' CNN, 16 February 2018.

³³ Laura Tingle and Phillip Coorey, 'Secret survey shows tax cuts won't got to jobs', *The Australian Financial Review*, 27 March 2018, 4.

³⁴ OECD, 'Tax Effects on Foreign Direct Investment – Recent Evidence and Policy Analysis', *OECD Tax Policy Studies – No. 17*, 2007, OECD Publishing, DOI: [10.1787/9789264038387-en](https://doi.org/10.1787/9789264038387-en), p. 16.

³⁵ Dennis Howlett, 'Japan Shows How to Stop Corporate Tax Evasion Using Tax Havens', *Huffington Post Canada*, 16 July 2013. *The Huffington Post* over simplifies the complexity of the Japanese corporate income tax system. See Ruud De Mooij and Ikuo Saito, 'Japan's Corporate Income Tax: facts, Issues and Reform Options', IMF Working Paper WP/14/138, August 2014. The IMF paper states: "The Japanese CIT rate varies by firm size, income level and region (due to various local taxes), leading to a complex system of differing rates (Table 1). The overall CIT burden—adjusted for the deductibility of the local enterprise taxes and after the repeal of the special reconstruction tax in April 2014—ranges from 21 percent (for income of up to ¥4 million earned by small corporations located in an area applying the standard local tax rate) to almost 36.3 percent (for small corporations with income over ¥25 million in the Tokyo area). Large corporations with capital over ¥100 million—approximately 1 percent of all corporations in Japan—face an overall CIT rate of around 35.6 percent in the Tokyo area and 34.5 in areas applying the standard local rate." However, the point remains that the CIT for Japan is higher than the vast majority of the OECD countries.

undistributed earnings of these foreign subsidiaries.³⁶ In this way, it was reported that Japanese companies cannot set up subsidiary companies to hold copyrights, patents, and leases in tax haven countries that then lease these back to the parent company for a fee and thereby lower their taxable profit in Japan. It was further reported that Japan also has the concept of ‘economic logic’ which is often used to deny special treatment to companies in tax havens. Under this concept, if the businesses could reasonably be carried on in Japan, the ‘economic logic’ of them being offshore is lacking, and is hence denied. There are a few exceptions made that in effect prohibit shell companies while allowing corporations to still set up legitimate businesses even in countries with lower corporate tax rates.³⁷

Corporate Income Tax Give Away is not important in attracting Foreign Direct Investment

It is worth noting that inbound Foreign Direct Investment (FDI) by MNE's is attracted by macroeconomic stability and not just taxation policy.³⁸ That is, investment is attracted through a wide range of non-tax factors including; “a supportive legal and regulatory framework; skilled labour and labour market flexibility; well-developed infrastructure; and business opportunities tied to market size (with profitability of the domestic market tied to the purchasing power of the population, and foreign markets reached via an extensive network of trade agreements)”.³⁹ Such factors become central drivers in FDI decisions by MNEs, alongside the accompanying tax policies of the host country. According to the OECD, it has been difficult to accurately estimate the FDI response to host country taxation due to the differing tax and non-tax factors in different countries around the globe.⁴⁰

According to the OECD there is broad agreement that a low host country tax level cannot compensate for a generally weak or unattractive FDI environment.⁴¹ Poor infrastructure and other inadequate investment conditions will deter FDI, regardless of the tax rate. A low tax rate cannot offset a negative non-tax investment environment. In countries where “higher corporate tax rates are matched by well-developed infrastructure, public services and other host country attributes attractive to business,”⁴² tax competition from countries with low corporate tax rates not offering this positive investment environment has not been considered to be a threat to the tax base. Several large OECD countries with relatively high tax rates are very successful in attracting FDI, suggesting that market size, non-tax factors and taxable location-specific profits are particularly important in attracting FDI.⁴³

Moody's credit rating agency has told its clients “We do not expect corporate tax cuts to lead to a meaningful boost in business investment.”⁴⁴

³⁶ Dennis Howlett, ‘Japan Shows How to Stop Corporate Tax Evasion Using Tax Havens’, *Huffington Post Canada*, 16 July 2013.

³⁷ Dennis Howlett, ‘Japan Shows How to Stop Corporate Tax Evasion Using Tax Havens’, *Huffington Post Canada*, 16 July 2013.

³⁸ OECD, ‘Tax Effects on Foreign Direct Investment – Recent Evidence and Policy Analysis’, *OECD Tax Policy Studies – No. 17*, 2007, OECD Publishing, DOI: [10.1787/9789264038387-en](https://doi.org/10.1787/9789264038387-en), p. 13.

³⁹ OECD, ‘Tax Effects on Foreign Direct Investment – Recent Evidence and Policy Analysis’, *OECD Tax Policy Studies – No. 17*, 2007, OECD Publishing, DOI: [10.1787/9789264038387-en](https://doi.org/10.1787/9789264038387-en), p. 13.

⁴⁰ OECD, ‘Tax Effects on Foreign Direct Investment – Recent Evidence and Policy Analysis’, *OECD Tax Policy Studies – No. 17*, 2007, OECD Publishing, DOI: [10.1787/9789264038387-en](https://doi.org/10.1787/9789264038387-en), p. 13.

⁴¹ OECD, ‘Tax Effects on Foreign Direct Investment – Recent Evidence and Policy Analysis’, *OECD Tax Policy Studies – No. 17*, 2007, OECD Publishing, DOI: [10.1787/9789264038387-en](https://doi.org/10.1787/9789264038387-en), p. 14.


⁴² OECD, ‘Tax Effects on Foreign Direct Investment – Recent Evidence and Policy Analysis’, *OECD Tax Policy Studies – No. 17*, 2007, OECD Publishing, DOI: [10.1787/9789264038387-en](https://doi.org/10.1787/9789264038387-en), p. 14.

⁴³ OECD, ‘Tax Effects on Foreign Direct Investment – Recent Evidence and Policy Analysis’, *OECD Tax Policy Studies – No. 17*, 2007, OECD Publishing, DOI: [10.1787/9789264038387-en](https://doi.org/10.1787/9789264038387-en), p. 14.

⁴⁴ Peter Martin, ‘Hold your horses on tax’, *The Age*, 22 February 2018, 20.

Michael Spencer, Managing Director, Global Head, Economics Research; Chief Economist & Head, Research, Asia Pacific Deutsche Bank, has publicly stated that the reduction in corporate income tax rate to 25% by 2026 would be “quite unlikely” to cause a shift investment from other countries to Australia. “Far more goes into decisions to invest than the marginal corporate tax rate”, he was quoted in the media as having said.⁴⁵ He went on to suggest that china’s corporate income tax rate wasn’t a major consideration for MNEs that invested there.

Dr Mark Zirnsak
Secretariat
Tax Justice Network Australia
c/- 29 College Crescent
Parkville, Victoria, 3052



⁴⁵ ‘Global growth to moderate soon, Deutsche Bank tips’, *The Australian*, 26 February 2018.

Background on the Tax Justice Network Australia

The Tax Justice Network Australia (TJN-Aus) is the Australian branch of the Tax Justice Network (TJN) and the Global Alliance for Tax Justice. TJN is an independent organisation launched in the British Houses of Parliament in March 2003. It is dedicated to high-level research, analysis and advocacy in the field of tax and regulation. TJN works to map, analyse and explain the role of taxation and the harmful impacts of tax evasion, tax avoidance, tax competition and tax havens. TJN's objective is to encourage reform at the global and national levels.

The Tax Justice Network aims to:

- (a) promote sustainable finance for development;
- (b) promote international co-operation on tax regulation and tax related crimes;
- (c) oppose tax havens;
- (d) promote progressive and equitable taxation;
- (e) promote corporate responsibility and accountability; and
- (f) promote tax compliance and a culture of responsibility.

In Australia the current members of TJN-Aus are:

- ActionAid Australia
- Aid/Watch
- Anglican Overseas Aid
- Australian Council for International Development (ACFID)
- Australian Council of Social Service (ACOSS)
- Australian Council of Trade Unions (ACTU)
- Australian Education Union
- Australian Manufacturing Workers Union
- Australian Nursing & Midwifery Federation
- Australian Services Union
- Australian Workers Union, Victorian Branch
- Baptist World Aid
- Caritas Australia
- Community and Public Service Union
- Electrical Trades Union, Victorian Branch
- Evatt Foundation
- Friends of the Earth
- GetUp!
- Greenpeace Australia Pacific
- International Transport Workers Federation
- Jubilee Australia
- Maritime Union of Australia
- National Tertiary Education Union
- New South Wales Nurses and Midwives' Association
- Oaktree Foundation
- Oxfam Australia
- Save the Children Australia
- Save Our Schools
- SEARCH Foundation
- SJ around the Bay
- Social Policy Connections
- TEAR Australia
- The Australia Institute
- Union Aid Abroad – APHEDA
- UnitedVoice

- Uniting Church in Australia, Synod of Victoria and Tasmania
- UnitingWorld
- Victorian Trades Hall Council
- World Vision Australia