

20th May, 2015

Secretariat of the Senate Inquiry
PO Box 6100
Parliament House
CANBERRA ACT 2600

Email: Alan.Raine@aph.gov.au

Dear Secretariat,

Responses to questions from Senator Milne

Please find attached responses to the questions below provided by Senator Milne.

Rio Tinto - Additional questions on notice

1. Please provide the following information for the past two financial years for your Australian based consolidated groups.
 - a. Total revenue
 - b. Total pre-tax profit
 - c. Total company tax paid
 - d. Total payroll tax paid
 - e. Total income tax paid
 - f. Total Fringe Benefits tax paid.
2. Please provide the following related party transaction information for the past two financial years, which has involved any of your Australian based consolidated groups.
 - a. The total related party transaction amounts.
 - b. The number of related party transactions

- c. What entities they are being paid to and the location of these entities
- d. What is the nature of the product/service that is being sold between related parties.

Yours sincerely,

Phil Edmands
Managing Director, Rio Tinto Australia

Response to Senate Economics Committee – Corporate Tax Avoidance

Questions on Notice dated 4 May 2015

1. Information for the past two financial years for Rio Tinto's Australian based consolidated groups:

	Year ended 31 Dec 2014	Year ended 31 Dec 2013
	Amount AUD millions	Amount AUD millions
Total revenue	33,205	34,581
Total pre-tax profits	10,561	10,959
Total company tax paid	3,548	3,260
Total payroll tax paid	233	235
Total Income tax paid	As above	As above
Total Fringe Benefits tax paid	88	80
Total Royalties Paid	2,260	1,960

Response to Senate Economics Committee – Corporate Tax Avoidance

Questions on Notice dated 4 May 2015

2a. and 2b.

The Rio Tinto Australian economic group had overseas related party transactions (greater than \$1 million) as follows:

Year ended 31 December	Amount AUD millions	Number of transactions
2013	7,206	477
2014	8,287	523

2c. The Rio Tinto Australian economic group had transactions with overseas related parties as set out in Appendix 1, the quantities of those transactions are set out in Appendix 2 for the 2013 and 2014 years.

2d. The nature of products/services that are being sold between the Rio Tinto Australian economic group and overseas related parties is set out in Appendix 3.

Appendix 1

Country	Related Party Legal Entity
Canada	Alcan International Limited
Canada	Alcan Management Services Canada Limited
Canada	Diavik Diamond Mines Inc
Canada	Iron Ore Company of Canada
Canada	R & S (Roberval Saguenay)
Canada	Rio Tinto Alcan Inc
Canada	Rio Tinto Canada Diamond Exploration Inc
Canada	Rio Tinto Canada Management Inc.
Canada	Rio Tinto Canada Uranium Corporation
Canada	Rio Tinto Eagle Minerals
Canada	Rio Tinto Exploration Canada Inc.
Canada	Rio Tinto Fer et Titane Inc.
Canada	Rio Tinto Services Canada Inc
Canada	Rio Tinto Potash Management Inc
Canada	RTA Alesa Ltd.
Canada	South Gobi Resources Ltd
Canada	Turquoise Hill Resources Ltd
China	Chinalco Rio Tinto Exploration Co Ltd
China	Rio Tinto Trading (Shanghai) Co Ltd
France	Alcan France S.A.S.
France	Aluminium Dunkerque
France	Aluminium Pechiney
France	Borax Francais SAS
France	Carbone Savoie
France	E.C.L.
France	Rio Tinto France SAS
France	Rio Tinto Iron Ore Europe SAS
India	Rio Tinto Exploration - India
Indonesia	Rio Tinto India Private Ltd
Japan	Rio Tinto Japan Limited
Laos	Lao Sanxai Minerals Company Limited
Madagascar	QIT Madagascar Minerals S.A.
Mauritius	Rio Tinto Benga (Mauritius)
Mongolia	Oyu Tolgoi LLC

Appendix 1

Country	Related Party Legal Entity
Mozambique	Rio Tinto Benga Limitada
Mozambique	Rio Tinto Zambeze Limitada
Namibia	Rossing Uranium Limited
New Zealand	Electric Power Generation Limited
New Zealand	New Zealand Aluminium Smelter Limited
New Zealand	NZ Aluminium Smelter
New Zealand	Rio Tinto Alcan (New Zealand) Ltd
Papua New Guinea	Rio Tinto Exploration (PNG) Ltd
Papua New Guinea	Rio Tinto PNG Ltd
Peru	Rio Tinto Minera Peru Limitada SAC
Peru	Rio Tinto Peru Limited
Serbia	Rio Tinto Sava Exploration DDO
Singapore	Chlor Alkali Unit Pte Ltd
Singapore	Metals & Minerals Insurance Pte Ltd
Singapore	Rio Tinto Exploration (Asia) Holdings Pte Ltd
Singapore	Rio Tinto Iron Ore Asia Pte Ltd
Singapore	Rio Tinto Marketing Pte Ltd
Singapore	Rio Tinto Minerals Asia P/L
Singapore	Rio Tinto Procurement (Singapore) Pte Ltd
Singapore	Rio Tinto Pte Limited
Singapore	Rio Tinto Shipping (Asia) Pte Ltd
Singapore	Rio Tinto Singapore Holdings Pte Ltd
Singapore	Turquoise Hill Resources Singapore
South Africa	ECL Services Africa Engineering
South Africa	Palabora Copper Pty Ltd
South Africa	Palabora Mining Company
South Africa	Richards Bay Iron & Titanium Pty Ltd
South Africa	Rio Tinto Management Services South Africa (Proprietary) Ltd
South Africa	Rio Tinto Mining and Exploration Ltd (South Africa branch)
South Africa	Riversdale Holdings Limited
United Kingdom	Borax Europe Limited
United Kingdom	Rio Tinto Charters Limited
United Kingdom	Rio Tinto Diamonds Ltd
United Kingdom	Rio Tinto Indonesian Holdings Limited

Appendix 1

Country	Related Party Legal Entity
United Kingdom	Rio Tinto International Holdings Limited
United Kingdom	Rio Tinto Iron Ore Atlantic Limited
United Kingdom	Rio Tinto London Limited
United Kingdom	Rio Tinto Marketing Services Ltd
United Kingdom	Rio Tinto Metals Limited
United Kingdom	Rio Tinto Minerals Development Limited
United Kingdom	Rio Tinto Mining and Exploration Ltd
United Kingdom	Rio Tinto plc
United Kingdom	Rio Tinto Shipping Limited
United Kingdom	Rio Tinto South East Asia Limited
United Kingdom	Rio Tinto Technology Resources UK Ltd
United Kingdom	Rio Tinto Uranium Limited
United Kingdom	Rio Tinto Western Holdings Ltd
United Kingdom	RTDM Ltda
United Kingdom	RTME Ltd (UK)
United States	Alcan Primary Products Corporation
United States	Eagle Mine LLC
United States	Kennecott Exploration Company
United States	Kennecott Molybdenum Company
United States	Kennecott Uranium Company
United States	Kennecott Utah Copper LLC
United States	Resolution Copper Inc
United States	Rio Tinto AUM Company
United States	Rio Tinto Mining and Exploration Inc
United States	Rio Tinto Services Inc
United States	Rio Tinto Technology Resources Inc
United States	U. S. Borax Inc.

Appendix 2

Total related party transaction amounts by Country

All countries with transactions greater than \$1m have been included

2014	Expense	Revenue
Country	AUD million	AUD million
Canada	30	51
China	6	2
France	3	2
Indonesia	2	-
Japan	4	-
Laos	-	2
Madagascar	-	1
Mongolia	2	-
Mozambique	-	30
Namibia	-	2
New Zealand	1	13
Papua New Guinea	-	2
Peru	-	9
Serbia	-	1
Singapore	2,249	4,712
South Africa	-	18
United Kingdom	354	661
United States	49	80
Grand Total	2,701	5,587

Appendix 2

Total related party transaction amounts by Country

All countries with transactions greater than \$1m have been included

2013	Expense	Revenue
Country	AUD million	AUD million
Canada	29	45
China	6	1
France	10	1
Japan	4	-
Laos	-	1
Mozambique	-	60
Mauritius	-	2
Namibia	-	2
New Zealand	3	14
Peru	-	13
Papua New Guinea	-	1
Serbia	1	1
Singapore	1,550	4,214
South Africa	1	55
United Kingdom	421	643
United States	8	119
Total	2,033	5,173

Appendix 3

Related party transaction by Type

Type of Transactions 2014	Expenses AUD million	Revenue AUD million
Product sold	0	4,522
Products purchased	463	0
Services - Sales and Marketing	674	132
Services - Logistics and Procurement	1,019	366
Services - Management and Administration	386	468
Services - Technical	9	7
Cost contribution arrangements	35	43
Interest	22	7
Insurance premiums and proceeds	93	41
Total	2,701	5,587

All transactions greater than \$1m have been included

Type of Transactions 2013	Expenses AUD million	Revenue AUD million
Product sold	0	4,012
Products purchased	274	0
Services - Sales and Marketing	525	10
Services - Logistics and Procurement	781	408
Services - Management and Administration	354	524
Services - Technical	11	0
Cost contribution arrangements	0	85
Interest	11	3
Insurance premiums and proceeds	78	131
Total	2,033	5,173

All transactions greater than \$1m have been included