Increasing Tax Collections: Impacts on Economic Development

In the current environment there may be an urge to increase taxation receipts to bolster government revenues. This should be resisted as it may have detrimental impacts on economic development, investment and growth.

Increased Development, Investment and Growth



- Increased capital expenditure occurring in Australia
- Increased job and employment opportunities
- Ongoing utilisation of assets developed during the unprecedented expenditure of the early 2010s
- Long term commitment to providing government taxation receipts
- Sustained contribution to export revenue
- Increased use of supply chains in local and regional communities
- Increased investment and long-term supply to domestic supply

Increased Taxation Receipts



- Mobile capital investment in other jurisdictions
- No new jobs being created in Australia due to reduced investment
- Major downstream assets under-utilised and decommissioned before reaching their useful life
- Loss of future taxation receipts
- Loss of opportunity to further increase export revenue
- Reduced use of supply chains in local and regional communities
- Reduced investment and long-term supply to domestic supply

Ensuring Australia has simple, competitive and balanced taxation regimes in addition to regulatory reform that seek to reduce barriers to investment will be critical to attracting mobile capital to be invested in Australia, rather than lower-cost, more competitive jurisdictions.

