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**PRIME MINISTER**

11/93

**STATEMENT BY THE PRIME MINISTER, THE HON P J KEATING MP  
DR HEWSON AND "THE TAX CHEAT MENTALITY"**

It has been revealed today that Dr Hewson believes the tax minimisation scheme he was involved in amounts to, in his own words, "tax cheaterly."

As part of an address to the National Press Club a little over a year ago Dr Hewson attacked the very practices of which he knew himself to be guilty.

He described at length tax minimisation of the exact variety he was involved in as part of what he called "the tax cheat mentality" in Australia.

For the past few days Dr Hewson has defended his tax minimisation practices.

He and other Liberals have viciously attacked me and the Government for raising legitimate questions about a person who says it is okay for a wealthy person to minimise tax, while wage and salary earners must pay 15 per cent on everything they buy.

In his address he even attacked people who minimised tax to 15 per cent instead of paying the top rate of 47 cents! He actually nominated the 15 per cent average tax rate.

With all the compassion he could muster he bemoaned the fact that these opportunities were not available to the average PAYE taxpayer.

He attacked those who used superannuation to minimise tax:

"They want to talk about tax rorting, people are using superannuation as a basis of minimising tax - pay 15 per cent on an employer contribution on superannuation and down the track there might be 15 per cent paid on that income - still substantially less than the top tax rate of 47 cents."

There was also scope for other minimisation practices, he said, but "those opportunities and a host of others are not available to the average PAYE taxpayer, they are part of the tax cheat mentality or tax minimisation mentality that exists in Australia."

He knew when he was saying those words he was describing an arrangement which he had himself previously entered into.

Dr Hewson's Press Club remarks reveal him as being totally insincere with the public and two-faced.

CANBERRA  
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