

Swan granted special waiver to plan advertising blitz against miners on resources super-profits tax

Sid Maher, [The Australian](#)

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A Rio Tinto iron ore mining operation in the Pilbara, Western Australia. *Source:* The Australian

WAYNE Swan has defended his plan to attack the mining industry over the resources tax using an advertising campaign made possible by a special waiver of the government's own advertising rules.

The exemption granted this week to the Treasurer by Special Minister of State Joe Ludwig will allow the government to rush out an advertising campaign to counter a mining industry blitz against the new 40 per cent super profits tax.

The move has been branded by Tony Abbott as an "outrageous rip-off" by a government "without any moral compass".

But the Treasurer defended the proposed advertising campaign.

“There is a very strong need and clear desire in the community to know more about the changes to our tax system and it's important we fill that need," Mr Swan said.

“To ensure the Australian people can make informed decisions about their finances and investments, in the budget we indicated that we would be launching an information campaign .

“Unfortunately there is a lot of misinformation being pushed by some parts of of the mining industry, and these myths need to be cleared up.

“The Australian people have a big stake in getting a fairer share of our resource wealth and we make no apology for keeping them informed.”

Mr Swan on May 10 sought permission from Senator Ludwig, in his role as Cabinet Secretary, to mount a tax reform advertising campaign.

“Given that co-ordinated misinformation about the changes is currently being promulgated in paid advertising, I accept the need for extremely urgent action to ensure the Australian community receive accurate advice about the nature and effect of the changes,” Senator Ludwig said in a special statement granting Mr Swan permission for the campaign.

“As the changes also affect the value of the capital assets and impact on financial markets, I am satisfied that a compelling reason for an exemption exists, particularly given the nature and extent of misinformation against a backdrop of continuing market volatility.”

The exemption from the government's advertising rules will enable the Treasurer to avoid the need to seek the approval of the Independent Communications Committee, which vets all government advertising.

It will free the campaign from constraints under the guidelines prohibiting campaigns run for party political purposes and releasing materials that “directly attack or scorn the views, policies or actions of other such as the policies and opinions of opposition parties or groups”.

As Cabinet Secretary Senator Ludwig can exempt a campaign from compliance with the guidelines on the basis of a national emergency, extreme urgency or other compelling reasons.

A spokeswoman for Senator Ludwig said the minister had relied on extreme urgency or other compelling reason rather than the national emergency provision to grant Mr Swan's application.

In granting the exemption, Senator Ludwig said: “I note and accept the Treasurer's advice that there is an active campaign of misinformation about the proposed changes and that Australians are concerned about how these changes will affect them.

“I further note and accept the Treasurer's advice that, as tax reform involves changes to the value of some capital assets, they impact on financial markets.”

News of the government's advertising move sparked a furious reaction from the Opposition.

“We have seen an absolutely outrageous example today of a government that is completely without any moral compass, without any real ethical dimension,” Mr Abbott said.

Mr Abbott said that before the 2007 election he had described government advertising as “a cancer on our democracy”.

“Today we find out that the government has exempted itself even from its own elastic requirements to run an emergency advertising campaign on the mining tax.

“Now, the justification it's given for this campaign is that misinformation is affecting financial markets and yet just this morning the Prime Minister and the Deputy Prime Minister have been denying that their great big new tax on mining has had any impact of financial markets.

“This is just an outrageous rip-off.”

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