

SUBMISSION RE WORKING HOLIDAYMAKER VISA REVIEW

August 19th 2016

I would have thought that with the crisis in the agriculture sector at the moment re downturn in milk prices, drought, then floods and bushfires that to raise the amount of tax paid by backpackers who work in our agriculture and horticulture industries would be the last straw which breaks our producers' backs.

What a ridiculous idea.

It is well known that farmers and horticulturists rely on tourists to help at their harvest times as it is hard to get locals to do the work. This suited everyone; the tourists, the growers, the local communities where the backpackers spent their money etc.

The suggestion that these backpackers would have to pay 32.5% from their first dollar earned is totally illogical. In New Zealand they pay 10.5% when they earn \$14,000 or under; in Canada it is only 15%; in UK they pay nothing until they reach £11,000 then the tax is charged at 20%.

If the Federal Government persists in this absurd legislation then it will severely affect not only growers' incomes but the whole tourism and local service industries.

As an example it is estimated that the Australian horticultural industry is set to expand from \$10 billion to \$30 billion by 2030; this would be catastrophically affected by this massive tax rate.

Rather than penalising these sectors and besmirching the reputation Australia has a welcoming and friendly country to visit, the Federal Government should instead focus on pursuing those companies whose wheeling and dealing have sent all their profits overseas thus depriving Australia of \$billions of tax revenue.

I would have thought that a modest tax rate up to 10% would be sufficient and this whole problem HAS to be resolved as soon as possible and definitely before the end of the parliamentary year so that everyone concerned can make provision for the changes before the main harvest seasons commence.

