

To whom it may concern:

I wish to address the following areas highlighted in blue:

The Terms of Reference include:

- Australia's competitive position in attracting seasonal and temporary foreign labour, including comparative wages, entitlements and conditions
 - comparative taxation on income earned
 - comparative superannuation or equivalent entitlements
 - promotional programmes and schemes to assist workers while in the country
 - costs and barriers to entry
- regulatory imposts on employers
- exploitation of and protections for vulnerable workers, including evaluation of illegal labour hire practices and non-compliance with laws and regulations
- capacity to match employers with available workers, including regulatory arrangements in relation to the role of labour hire companies
- changes to the use of volunteer or unpaid labour (for instance Willing Workers on Organic Farms)
- Australia's exposure to changes in exchange rates, economic growth and employment rates in source nations which may affect Australia attracting seasonal and temporary labour
- **short-term and long-term agricultural and tourism labour needs**
- **policies to attract unemployed Australians, including young Australians, into work in agriculture and tourism**
- **opportunities to expand supply of seasonal and temporary foreign workers for the agricultural sector**
- **consistent tax treatment between different classes of temporary work visa holders**

Submission statement:

Very recent research done by Monash University has data showing loss of interest by Backpackers unwilling to come to Australia with a decision to increase tax on wages earned.

<http://www.farmers.org.au/content/nff/en/news-updates/nff-news/Backpacker-tax-study-shows.html>

Some 60% of sampled people asked about the tax, said they would of not come to Australia if the tax was 32.5%. Also, 57% of Working Holiday Makers said they would spend less time travelling in Australia, with 69% spending less on tours. In addition, 70% said they would look for cash in hand work.

To address this:

The Ministers involved, should give serious thought and consideration to using the present Backpacker guidelines for Australians, not short term thinking with a counter productive Tax.

This would be a great initiative to get 'new' people out into areas needing workers. This could replace some of the Governments 'costs' with unproductive costly subsidies and incentives schemes, with a cheaper, long term, cost effective option to get people to travel and experience both urban and rural parts of Australia, hopefully making a transition they have longed for.

But with normal wages and taxes too high for employers to employ new and seasonal workers, it is restricting Australian people's desire to experience a working holiday in our own country. The numbers of Backpackers under the present system, 'proves the need' for workers at an affordable tax rate for a limited timeframe.

Do the same for Australians, and hopefully they will stay on in areas of their choosing and become a full time employee, being elevated to good wages and a higher tax rate. Consider this as an 'investment' in people, not a 'cost' to the Government, who 'live' in Australia, who are not going to leave the country when the 'low' tax timeframe has come to an end.

END.