

# *Ticoba*

Avocados and Blueberries

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September 1, 2016

Mr Luke Hartsuyker  
Member for Cowper

Dear Mr Hartsuyker,

As you know there are a number of avocado farms on The Comboyne, all of which use some form of backpacker labour during the harvest season. As we grow both avocados and blueberries we find that backpackers are essential to our operations, particularly with the blueberry harvest which is based on optimum harvest time as well as being weather dependent.

Outside of the harvest season, we only need 3 workers to tend to the farm. We usually employ 4-6 people extra for the avocado harvest, both local and international. For the 2-3 months during the blueberry harvest, we need up to 25 workers. Having a pool of seasonal workers that we can access at this time is crucial. We try to recruit a number of local workers, but being a small rural community, most of those capable have work anyway. Backpackers provide a supply of seasonal workers we need for the survival of our farm.

We are very worried about the Australian Government 's consideration of an increase in tax paid by Working Holiday Makers (backpackers) to 32.5 cents in every dollar. This change will divert vital harvest labour away from the farm sector each year, encouraging backpackers to look to countries other than Australia for their working holiday experience.

We agree that just like everyone else, backpackers, should pay their fair share of tax. However, 32.5 cents in every dollar is too high. 32.5% tax means that the backpackers should be earning well over \$80,000 a year to pay anywhere near the equivalent of Australian residents.

It also means many backpackers will choose to go elsewhere, or stay in Australia for shorter periods. It means fewer workers on Australian farms, and there will be less spending in rural communities.

It also means that with a labour dependent operation such as blueberry growing, in a small rural community like Comboyne, we will not find the labour to harvest our fruit, and it could force us into a position of having to close down due to lack of available labour. It is difficult enough as it is to find seasonal workers in this area, let alone with the increased tax proposal. The backpackers who do work on The Comboyne Plateau spend money here, use the local supermarket, Club and Cafes and inject cash back into the rural economy. A small community like ours benefits considerable from the working holiday makers.

We would ask you to please reconsider the tax rate, and perhaps similarly to New Zealand or Canada implement a 19% flat rate rather than the extreme 32.5%.

Regards,

Ernst and Penny Tideman.  
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