

30 August 2016

The Hon Barnaby Joyce MP  
By email: [barnaby.joyce.mp@aph.gov.au](mailto:barnaby.joyce.mp@aph.gov.au)

Dear Minister

### **Commonwealth Government Review of Proposed Backpacker Tax**

AlburyCity wishes to express its concern over the impacts of the proposed Backpacker Tax on regional and rural industries and tourism. This matter is of significant impact to areas such as ours in southern NSW and NE Victoria where seasonal pickers and farm workers are in high demand. Backpackers (non-resident visa holders) make up the bulk of this workforce and any reduction in the availability of this labour force will significantly hamper agricultural production, costs of operation, and ultimately impact farm viability.

The work typically undertaken by these itinerant workers is usually harvest related, and as such it is critical that a willing and capable workforce is available in numbers, as and when they are needed. Any reduction in the availability or the numbers of workers required will have a severe impact on farm viability, and will inevitably lead to losses or wastage of harvest and impacts to hard won Australian supplier relationships. Internationally produced product imports will become more attractive from a pricing and supplier reliability perspective, further damaging Australian producer viability.

Likewise the flow on effects of the inevitable reduction in itinerant workers will have a major effect on regional towns and cities in terms of tourism and the resulting economic uplift. Non-resident workers are a very significant contributor to regional communities, as they spend relatively long periods in regional areas and make up a very important part of the economic fabric of regional Australia.

Australia's international competitiveness will suffer as a result of the proposed tax as alternate destinations become more attractive for a working holiday. The resulting impacts of the proposed tax do not appear to have been well considered, as the flow on effects of removing a viable and affordable workforce are far reaching and profound for regional areas. This is particularly true of agricultural industries already struggling for survival against lesser quality international imports.

AlburyCity urges the Australian Government to reconsider the imposition of such a tax, and to fully examine the likely impacts on our regional and rural communities, business operators and ultimately on our economic sustainability.

Yours faithfully



Tracey Squire

**Director Economic Development and Tourism**

CC: The Hon Luke Hartsuyker MP.

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