

PLEASE QUOTE

YOUR REFERENCE:

OUR REFERENCE: JK:jlc-20160902345

ENQUIRIES TO: Margaret Darveniza, Director Community Services



02 September 2016

Department of Agriculture and  
Water Resources  
GPO Box 858  
CANBERRA CITY ACT 2601

**Submission to agriculture.gov.au/workingholidaymaker**

**Cassowary Coast Regional Council - Submission - Working Holiday Maker Visa Review**

The Cassowary Coast Region is located in Tropical North Queensland between Cairns and Townsville. It covers an area of 4700 square kilometres and is home to 28,629 people with an economy dominated by the agricultural sector, in particular sugar cane and bananas. Our region produces over 80% of Australia's bananas. An emerging tourism industry has the potential to provide economic resilience through the diversification of the industry base. It is this economic profile that makes the Backpacker Tax Review extremely relevant to our region, in particular the theme within the Terms of Reference that focuses on the visa labour needs of the agricultural and tourism sectors.

Working backpackers are an essential component of the Cassowary Coast labour force. The banana industry is reliant on travelling workers to undertake the labour-intensive field and packing work required to get the product to market and without them the industry would be significantly disadvantaged and its competitiveness and viability challenged.

Likewise, the Cassowary Coast tourism sector benefits from the recreational spend of these workers and other backpackers who engage with our nature and adventure-based products such as rafting and parachuting.

It is estimated that over 2,000 working backpackers call the Cassowary Coast home at any one time. They also contribute to our economy through their purchases of accommodation, food and other supplies and entertainment. If these numbers were reduced there would be a serious negative knock-on effect to the local property, retail and services sectors. The working backpacker population also contribute significantly to our community's social fabric and have become integral to many of our regional townships.

As the local authority for this region, Cassowary Coast Regional Council is very concerned that if the tax threshold were to be removed from the income of people on Working Holiday visas, working in our region would be a less attractive option and the backpackers may vote with their feet and seek their international experience in countries with a more conducive taxation environment. This change in behaviour would be detrimental, possibly devastating to our economy.

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We are aware that many industry organisations that Council has a positive and productive working relationship with including, Tourism Tropical North Queensland, Australian Banana Growers Council and the Queensland Farmer Federation share our concerns on this issue and the threat it poses to our region.

Cassowary Coast Regional Council strongly urges the Federal Government to continue supporting Australia's effort to attract more visitors, increase visitor expenditure and maintain the capacity of the agricultural sector by:

- ***Not proceeding with the proposal to remove the current and generally applicable tax free threshold on earning by WHV holders.***

Yours Sincerely



**CR JOHN KREMASTOS  
MAYOR  
CASSOWARY COAST REGIONAL COUNCIL**