

## **Backpacker tax**

I live in the Lockyer Valley where hundreds of people on Working Holiday Visas are employed at any given time. In fact the horticultural industry here would grind to a halt without them.

I agree with the concerns expressed by farmers and the agricultural industry.

However, I would like to add another concern that I can foresee happening if this tax goes ahead.

My concern is this: There are many Labour Hire contractors employing backpackers. Many of these carry out their business, or part thereof, in an illegal way. One of the illegalities involves paying workers cash in hand (and employing illegal workers). As it stands, contractors pay lower wages cash in hand, telling workers that this is what they would get anyway. The difference which should go to the Tax Dept goes into the pocket of the contractor.

This practice involves robbing the Australian Government of large amounts of tax. If this tax goes ahead, I feel it will only encourage a continuance (and indeed, increase) of this practice, thus robbing the Australian government of even more taxes.