

Gentlemen

I am an Australian expat worker and feel as though my country is losing fiscal direction. When I left to work overseas a year ago, my country's government was in the business of balancing a domestic economy.

The timeless issue of balancing imports against exports was being vigorously addressed in the constant effort to have a POSITIVE figure and thus trade in the black.

In the past twelve months, obviously whilst the real treasury personnel were at lunch, or determining positive policy elsewhere, someone took it upon themselves to sabotage this effort. By deciding to tax expat workers at Australian tax rates they have sought to remove one of Australia's most famous and extolled exports - The expat workforce itself. In what can only be described as a foolish pursuit of the mere balance of taxable incomes of some thirty thousand expat workers the treasury risks.....

The loss of the expat's wage into Australia. Essentially financial manna from heaven to Australia's economy from another.

The loss of the expenditure of that wage in Australia, all of which attracting GST.

The return of those Australians who decide that it is just no longer worth the poor food, accommodation, conditions and being away for extended periods from their families. (There are some alarming statistics of the marriage breakdown of expat workers and it's social impact)

The returning workforce will add to the unemployment line. Although they are highly skilled and will be easily rehired in the industrial and mining sectors the other end of that employment line i.e. the new trades personnel will find it difficult to compete leading to unemployment and further social impact.

The loss of the balance of that workforce, those deciding that the value of the social sacrifice is best addressed by becoming a non resident for their working tenure. This will obviously mean overseas investment for accommodation and living expenses, money once spent in Australia.

The return of the workforce will stymie the growth of Australia as the unemployment line will grow and immigration and similar growth strategies will be spurned by the electorate.

The spot rate for skilled workers will fall across Australia and the government's return on the workers high end salaries will subsequently fall also.

In short this ill-conceived grab for a minority's tax in compensation for hardship will do naught but add to Australia's trade deficit and bring with it further social impact.

Finally, it is seldom the case where an expat is engaged in a country that has a standard of living comparable with Australia. Almost invariably we are working in countries far less fortunate than our own. We are engaged to bring plants, mines facilities on line and train the indigenous workforce to operate before leaving to an uncertain future of engagement ourselves. We leave a workforce trained and nurtured by our standards of skill but more importantly safety and work practice.

I ask that the personnel that make the real taxation decisions review that which can only have been hastily conceived.

Regards

Robert Oates