

Mr John Hawkins

Committee Secretary

Senate Standing Committee on Economics

Dear Sir

I recently sent the following request to my MP, Michael Johnson, member for Ryan. I have been advised to write to you and forward my point of view. I strongly believe should the proposed changes be implemented to administer tax on income from foreign work, it will have long lasting, highly negative and detrimental economic impact...

Thank you very much for your support in the full and proper review of the proposal.....

I would like to request you demand full debate and review to clarify the net advantages of introducing Australian Income tax payable on income earned from work overseas, over and above what is already paid by the particular individual. In the least, the implementation process should be delayed until complete and credible cost benefit is undertaken by task force or sub-committee.

I work in the Oil and Gas sector, currently in Eastern Russia. In the event the intended policy is implemented, 80% of my colleagues claim they would simply return home and look for work back in Australia. This obviously would place significant additional pressure on job vacancies already dwindling. The Australian Labour Party claims it is heavily driven to the creation of new employment. We must insist our Government carefully examine the affect on job vacancies. The basis of estimation of higher tax revenues already tabled in the budget, is fundamentally flawed, because most of us would return home. Estimates presented so the Opposition Government swallow the content of the recent Budget, urgently need debate in Parliament and an appropriate challenge process embarked. The vast majority of overseas working men and women have 1&2 year financial plans built against mortgages and investments throughout the economy's financial sector. There would also be drastic negative impact on cash flow throughout the economy currently supported by these resources. Perhaps the impact on cash flow is even more of a concern than the negative effect on employment.

I can think of no reason why I myself would continue working overseas away from my family in the event this budget point becomes legislation, especially within the next 12 months. Even if it would take some time to find work within my industry, it would eventually occur because of my professional qualifications, experience and my renown within my industry. Then, as an ex Marine Engineer and Oil & Gas Floating Production & Storage Offloading Offshore Installation Manager and Chief Engineer, I would take someone else's place, even through the lower rankings. Overseas expats are, generally speaking, at the top of their game and would squeeze out younger more inexperienced workers.

Please don't allow hasty, unchallenged budget agenda such as this to form amendment to current tax legislation without thorough, precise economic and political debate and analysis.

Yours in appreciation....

Michael O'Neill