

Dear John,

I would like to strongly voice my concerns over the current Governments proposed changes to Section 23AG of the Income Tax Assessment Act 1936, providing tax concessions for Australian residents drawing income from overseas employment.

I do believe the Rudd Government is not recognising what this change will bring about to all expat workers and their family which currently chose to live in Australia whilst working abroad. As well as this I do not believe the Government fully understands the working standard, hygiene standards and job security issues all ex-pats are subjected to when working in foreign countries, and how most ex-pat employees always factor in what countries they will be working to make sure they meet the current Australian Tax Laws.

Eg- if the Australian tax requirements are not met then it is not financially viable to take up the employment in that country.

Just to give a brief description, majority of ex-pat offshore employees work a minimum of 84 hours a week (this is a minimum and for at least a straight 4 week period with no days off), They travel to and from Australia in their own time, they do not have any job security, at any time and can be told they are now un-employed with no come back.

They work all public holidays, weekends with very limited contact with their loved ones back home. The conditions they work in would not be accepted in Australia.

All this and they only actually spend between 4 to 5 months in Australia, due to the travel to and from work on their off days

Does this seem fair to then be charged a large amount of Tax, when not even in Australia for the majority of the year and not using the Australian services which the Australian tax is used to fund?

All ex-pats accept these conditions and hard ship for the remuneration package they are offered, firstly factoring in that they do meet the current Australian Tax laws.

All Ex-pat which chose to live in Australia, bring their full wage back into the country which is then fed into the Australian Economy. As well as their partners which work in Australia.

I do believe the current government does not understand that if all Ex-pats start to be charged a large sum of Tax in Australia that it will then become un-economical to continue employment abroad and will then have no choice but to move out of Australia and take up residency in another country.

The Australian economy will then miss out on all the Ex-pat income which was being brought into and spent in Australia, as well as their partners income.

I do hope the current Government takes a more in depth look into these proposed changes, due to instead of the economy gaining more income in tax from all ex-pats that the country may in fact lose a lot of the current money being brought into the country and then spent in the country due to these ex-pat having no choice but to relocate out of Australia.

It believe it will be a very sad day for Australia if we lose the majority of our Ex-pat Australian (and families) residents to another country, and all the lost wealth which is currently being bought into the Australian economy and which will now be lost to there new country of residence.

Best Regards
Mr Gavin Murphy