



CITRUS AUSTRALIA – SA Region

P.O. Box 52, Berri, SA 5343

20th October 2016

Committee Secretary
Senate Economics Legislation Committee
PO Box 6100
Parliament House
Canberra ACT 2600

Dear Committee,

Inquiry into Tax Rates Amendment (Working Holiday Maker Reform) Bill 2016 and related bills

Citrus Australia South Australia Region (CASAR) is a body that was officially formed in October 2012 and is the peak citrus industry body representing South Australian citrus growers. CASAR also serves as an advisory group to the national peak body, Citrus Australia Ltd.

CASAR is funded through a contribution of \$1.00 per ton of citrus grown in South Australia. It is managed through the Citrus Growers Fund and attached to a five-year management plan which is updated annually. The committee comprises industry representatives who are both growers and citrus industry participants and are responsible for representing the views of the \$90 million plus per annum South Australian citrus industry. The committee's primary objective is to advise government, Horticulture Innovation Australia and Citrus Australia of the South Australian industry's strategic goals and inform the investment in research and development.

The South Australian citrus industry is made up of approximately 400 growers with 6000 hectares/ 2.5 million trees currently under cultivation. The SA citrus industry produces 205,000 tons of fruit annually of which 75,000 tons is exported. The majority of these growers are based in the Riverland region, which is well known for its fruit fly free status, making it the biggest citrus growing region in Australia. One third of the annual Australian citrus crop is generated from the Riverland.

CASAR made a submission to the Australian Government's Holiday Maker Visa Review. In summary CASAR's position was that we do not believe the removal of the tax free threshold was appropriate or necessary. This submission is attached for the Committee's information. Failing the government rescinding the full 32.5% rate altogether, CASAR does support the government's proposed alternative of a 19% tax.

CASAR believes that it is important that the horticultural sector have certainty about this matter and urge the Senate to pass the Bill before the parliament rises for the 2016 Calendar year. CASAR also submits that the government and parliament undertake further consultation with industry to address longer term solutions for the tax treatment of working holiday visa holders as the handling by the government of the originally proposed 32.5% tax rate created prolonged and unnecessary uncertainty for the horticultural sector, e.g. the impact on costs to growers, lowering the tax threshold and the impact of super on the tax rate are some of the items we would like further consultation on.

Yours truly

Steve Burdette
Chair- CASAR