

**Senate Standing Committee on Economics**

**ANSWERS TO QUESTIONS ON NOTICE**

**Treasury Portfolio**

Supplementary Budget Estimates

20-21 November 2013

**Question: SBT 909-911**

**Topic: Living Away From Home Allowance**

**Written: 28 November 2013**

**Senator DI NATALE asked:**

The House of Representatives Standing Committee on Regional Australia's inquiry report on 'Fly-in, fly-out and drive-in drive-out work practices in Regional Australia' highlighted how the Government's Living Away from Home Allowance fringe benefits tax exemption policy provides incentives for companies to engage in FIFO practices.

Can the Department tell us:

909. How much has this exemption cost Australian taxpayers i.e. how much revenue has been foregone? Each year for the last five years?
910. What studies has the department conducted to evaluate the impact on local mining communities caused by this exemption favouring FIFO camps over normal residential housing?
911. What studies has the department conducted to measure the reduction in community acceptance of mining arising from the reduced local economic benefits caused by this exemption?

**Answer:**

909. The *Tax Expenditures Statement 2012* contains estimates of the revenue cost of the fringe benefits tax exemptions for benefits provided to employees living away from home (Tax Expenditure D46 page 152). The exemption for fly-in, fly-out workers is a part of this tax expenditure but a split of the tax expenditure is not available.
910. The Department of the Treasury has not conducted any studies to evaluate the impact on local mining communities of the fringe benefits tax exemption for living away from home allowances.
911. The Department of the Treasury has not conducted any studies to measure any reduction in community acceptance of mining arising from the operation of the fringe benefits tax exemption for living away from home allowances.