

9<sup>th</sup> June 2009

Senate Representatives  
Australian Government

Dear Australian Representatives

I am writing to you to express my protest about the proposal to start taxing Australian Residents earning income offshore. Under the current tax definition an Expatriate is: *a citizen who is a resident in another country, or. A native of elsewhere residing in a specific place, but still identifying with their native "home".*

I believe it was stated at the recent budget announcement that **expatriates** will be entitled to a tax offset for any income tax paid overseas, **but will still be liable for Australian income tax.**

Currently these people are exempt from paying tax to stop them from being taxed twice. This tax break means nothing if the total they still earn is classified as taxable income even though they are required to pay tax in the country of employment.

The Consultation Paper suggests that the current regime is unfair to 'individuals working in Australia' by implying that the government considers these groups of people (working off shore and working in Australia) to be *equal*.

The reason my husband works overseas is that he is highly skilled and qualified in this area and is required to operate, train and mentor his crew and play a leading role in the operation of the rig.

Australians are a sort after asset for these companies as their work ethic is high and many show great leadership skills. Many of these so-called *equal people* work in hostile and hazardous situations and are required to spend more than half the year away from their families and home.

My question to you is – *please advise me of what similarity there is between Australians working overseas and individuals working in Australia have?*  
*I will tell what comparisons they **don't** have -*

<b>Australians Working Oversea's</b>	<b>Australian's Working In Australia</b>
Work in another country	Work close to their homes and families
Spend considerable time in transit and with those, they work with during their shift and during their off period of employment.	Travel to and from work daily.

Required to reside on site until length of employment terms identifies. Can be up to 6weeks in one roster.	Able to return to home after every shift. Not required to spend no more than required hours at place of employment
No superannuation benefits. Required to make own contributions which are then identified for tax purposes	Superannuation compulsory paid by employer. Incentives paid to those who make voluntary contribution.
No emergency / medical benefits or cover. Required to pay for health insurance whilst out of country.	Free medical assistance if required.

So what is the incentive to be an Australian work overseas? From the onset, it would appear that in an effort to align these two groups of working Australians and create overall fairness, is in fact creating a bigger division of those than initially thought.

I have written to my local members to also advocate my opinion. I have received a response from your own Federal Member for Capricorn Kirsten Livermore MP who states in her response letter "the measures will protect Commonwealth revenues needed to support jobs and invest in nation-building in the face of global recession. "

If we have the same expenses as the other group of Australians working in Australia then how does this improve fairness and integrity of the tax system by targeting income earned by Australians overseas. We are paying of a mortgage, car loan, school fees, health insurance, credit cards, car registration, rates, council fees and utility expenses just like every other Australian.

Does the Australian Government not understand that if it was not for the these expatriates then local community and businesses would not survive. The shop on the corner would not stay in business. Do they not understand that by having this tax break leaves valuable income stays in the country? Where do they think we get our groceries and fuel? Where do we buy our kids clothes and shoes? Where does their income get banked?

If this tax proposal was to be accepted then they I can guarantee you of this:

1 - With the notice of the tax proposal it will lead to potentially cutting incomes by returning home and will bring financial hardship to families and possibly bankruptcy in certain situations.

2 – Australian workers will leave their current employee to find work back in Australia. Ultimately, lack of unskilled workers in the Offshore Oil and Gas Industry and Mining Industries abroad pushes up the price of natural resources and other commodities significantly.

3 – Impact on Australia's current unemployment rate will increase and will therefore cost more in payments from the Government via Centrelink. I am not talking a couple of hundred people. I am talking a few thousand.

4 – Australians will leave their homeland and become residents of other countries to maintain their employment and skill level to support their families now and in the future. Hence no income coming into Australia to be spent in their local communities.

I am agitated at the prospect of leaving my homeland so my husband can continue to support his family. I implore you to consider where you stand on this proposal and speak to those voters around you in your community who it will affect.

To relocate outside of Australia and take valuable income with us ***is not*** in national interest or in the interest of thousands of voters and their families but will in fact have a negative affect on communities and the Australian Economy.

If this proposal is considered for approval then Australians working overseas will cripple thousands not only financially but also psychologically.

Regards

*Jodi Gardiner*

Wife of an Expatriate