

Submission to the Inquiry into Australia's future oil supply and alternative transport fuels.

Commuting to Work

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I ask the Senators to accept this brief, late submission to the Inquiry. I write from the perspective of a resident of a large country town. In regard to the prospect of a diminution in the future supply of oil, I wish to address the issue of commuting to work by private and public transport in Australia's major cities.

Commuting in cities over long distances results in serious depletion of fuel oil and unsustainable pressure on road and public transport infrastructure. I give an example of a possible scenario in Sydney, where one office worker might be commuting daily from Chatswood to Parramatta, while another, employed in exactly the same kind of work, lives at Parramatta and commutes to Chatswood. The situation in that scenario is patently wasteful and ridiculous, and typifies hundreds of thousands of journeys every day in the major cities. It benefits only employers, and then only slightly, by giving them a city-wide pool of potential labour. From all other points of view it is harmful: to individuals and to the long-term health of the economy and the environment.

In order to reduce the level of dependence on fuel oil, I urge a policy of tackling the issue at its source, by encouraging businesses to employ staff drawn from their surrounding neighbourhood, by means of tax incentives, and encouragement of individuals to live near their place of work, again by means of tax incentives. Another related measure, which is outside the scope of this submission, would be to foster the practice of working from home.

If individuals could be induced to live near where they work, or work near where they live, it would go far towards reducing both this reckless and short-sighted dependence on fuel and the pressure on transport infrastructure. To this end, I propose a rebate of tax paid on income earned from renting out the principal place of residence if the owner can show they themselves are living in rented property (in the same city) in order to be close to their workplace. Short term holiday lets would be excluded. In addition, a small rebate could be offered on rent paid for accommodation in the same or adjoining postcode area to a taxpayer's place of work. These rebates could be funded from the resultant saving on provision of transport infrastructure. I urge the Inquiry to quash once and for all the proposal that arises from time to time that transport costs to work be made tax deductible as a necessary expense of earning an income, because of its propensity to encourage long distance commuting. I urge that any existing concessions that offer likewise encouragement be removed from the Tax Act.

Concerning an incentive for employers, I propose that they be given a tax concession once they attain a certain threshold of numbers of employees in the same or adjoining post code areas. This is something that can easily be calculated and verified electronically, thus involving little cost for administration.

My experience of living and working in a country town has made me aware of the advantages of living close to the workplace, and perhaps if major urban areas were divided into a multiplicity of virtual "country towns", by means of tax incentives such as those I have outlined, they would be more economical, more liveable, for example, living close to work can open up the possibility of walking or cycling to work, and would reduce dependence on the diminishing supply of oil.