

19 April 2019

Zone Tax Offset review

I am a resident of Useless Loop in Western Australia. The settlement of Useless Loop is the western-most mainland community of Australia. It is also one of the most isolated. The population of less than 150 persons live in almost solitude on a mining licence.

The restrictions imposed on the population include:

- limited visitor access;
- limited educational facilities (kindergarten to year six);
- access to groceries and other household commodities;
- limited postal and social services;
- limited telephonic and internet communications;
- limited access to medical facilities;
- limited shopping – the community store is opened for around an hour each day;
- no public entertainment facilities;
- limited sporting venues and no formal sporting clubs or societies, other than a local fishing club;
- limited motor vehicle service and refuelling facilities; and
- an intermittent power supply.

Essentially to do almost anything, that the general public take for granted, necessitates a 350km trip by road, to the nearest towns of Carnarvon or Geraldton. Some 120km of that road journey is unsealed, and often impassable, roadway.

In fairness the mining company does its best to maintain a reasonable living environment for workers and their families, but the location, connectivity and tyranny of distance over-ride most of their attempts to provide a ‘normal’ social environment.

Ironically, increased wages and salaries, intended to commensurate workers for the privations of working on an isolated mine site, attract higher tax rates. Apart from the ZTO there is no taxation measure to counter that convolution.

The continuing historical failure to review, and increase, the ZTO means that while companies pay more, the individual worker gets comparatively less. This review is long overdue.