



CARPENTARIA SHIRE

Outback by the Sea®

Enquiries: Mark Crawley
AAP

26 April 2019

PO Box 31 Normanton Qld 4890
P 07 4745 2200 • F 07 4745 1340
E council@carpentaria.qld.gov.au
W www.carpentaria.qld.gov.au

Remote Area Tax Concessions and Payments
Productivity Commission
GPO Box 1428
CANBERRA ACT 2601

Dear Sir/Madam

REMOTE AREA TAX CONCESSIONS AND PAYMENTS ENQUIRY

The Productivity Commission is seeking submissions to determine the appropriate ongoing form and function of the Zone Tax Offset, FBT remote area concessions and Remote Area Allowance.

Carpentaria Shire Council welcomes the opportunity to provide a submission and thanks the Productivity Commission for holding a public community forum in Normanton as part of the consultation process.

Carpentaria Shire is located in the Gulf of Carpentaria and has an area of 64,121.0 km². Normanton and Karumba are the two main centres within the Council area and Normanton is located 678 kms from Cairns.

The estimated resident population of 1,974 persons live in Very Remote Australia (ABS Remoteness Area Classification, 2016). The age demographic is very similar when compared with Queensland with the majority of residents identified in the 15-64 age demographic. 705 persons (38.8% of the population) lived in a different address 5 years ago with the majority of those (586) relocating from within Queensland.

The unemployment rate in the Council area is 33.8% compared with 6.2% for Queensland. 132 recipients of the Age Pension, 69 recipients of the Disability support pension, 27 recipients of a Carers allowance, 170 recipients of the Family tax benefit A and 194 recipients of Newstart allowance.

Of the five quintiles of the Index of Relative Socio-Economic Disadvantage the population of Carpentaria is spread across only two of these, 61.4% in Quintile One (most disadvantaged) and the balance 38.6% in Quintile Two.

The median total family income for Carpentaria Shire was \$80,288 per year compared with \$86,372 per year for Queensland.



181 businesses operate in the Carpentaria Shire with 116 of those being non-employing businesses and only 7 businesses employ more than 20 employees. 70 businesses are categorised under the industry title of Agriculture, forestry and fishing. Council considers that businesses in remote areas should also be provided with support through taxation reform.

Our submission does not address the majority of information that has been requested in the Issues Paper as we trust that others will provide this as part of other submissions received. Carpentaria Shire Council requests that in considering and determining the appropriate ongoing form and function of the offsets, concessions and allowances that these are considered to provide additional money in the hip pockets of workers on a fortnightly basis rather than annually as a claim during tax-time as is the case for a majority of workers in the area. Indications at Council are that all employees do not claim the remote allowance regularly as they claim this during preparation of their individual tax return each year.

The offsets, concessions and allowances levels should be changed and indexed if they are to assist in addressing the remoteness and high cost of living for the small number of Australian citizens that live and work in these very remote areas.

Should you wish to discuss any aspects of the Council's submission please contact the undersigned.

Yours faithfully,

CHIEF EXECUTIVE OFFICER