

I must say this report from the Productivity Commission is very disappointing and shows a distinct lack of understanding of remote Australia.

To suggest that places such as Darwin are no longer isolated is surely jest. Any such suggestion is from people who have never experienced the cost and challenges the distance brings including:

- Unreliability of freight
- Lengthy delivery times of goods
- Poor quality of fresh produce
- Very limited options to travel interstate – expensive flights – many of which operate in the middle of the night
- Very expensive freight
- Very lengthy driving times to other capital cities
- Isolation from family
- Lack of understanding and support from the people of the large cities in Australia, most of whom live radically different lives with very limited understanding of those outside their own cities

The report states that in accordance with the Productivity Commission Act 1998 “Commission has taken a community-wide perspective”. I doubt that many people in remote Australia would agree that this is the case.

The Commission notes that “Higher wages in the zones across a wide skill spectrum suggests that the market compensates workers, at least to some extent, for the disadvantages of remote living. For those looking to settle in remote communities, issues of liveability and lifestyle also play an important part, with remote living largely a matter of choice. The ZTO should therefore be abolished.”

These comments demonstrate a concerning lack of understanding of remote Australia. Remote Australia struggles constantly to attract people to live and work there to support the communities and business and to enable them to function effectively. These are important areas to Australia, and should be considered as such with the government playing a vital role in actively encouraging people to live in these areas.

The Commission notes that a wide range of financial support is provided to people in remote Australia through a range of programs through different levels of government. This completely ignores the fact that far greater amounts of money per capita are provided by government to people in the large cities of the South East corner – both through formal government program, huge infrastructure investment, and seemingly endless projects in the electorates of key government members - that of course rarely represent remote Australia. In this the Commission comments are quite misrepresentative.

Comments about the life in remote Australia being arduous in earlier years are true, but there is no recognition that the standard of living in the cities has risen much higher, yet is given solid support in many ways by the government. These comments really seem to lack perspective.

The Commission notes that a “challenge for this study has been the dearth of relevant and readily available data.” I would suggest that the Commission found this to be the case because it does not have a very solid understanding of the issues of remote Australia, and that the lack of data reflects one of the characteristics of remote Australia – it is poorly understood and so ignored by the people in the larger capital cities.

The Commission notes the decline in value of the Zone Offset and somehow seems to see this as a basis for substantially increase the offset – removing it makes no sense on the basis that it has been ignored for many years and declined in value. The far more obvious logic is to substantially increase it.

Zone tax concessions were originally designed to help remote area employers, who were seeking to attract workers to isolated areas, by reducing income tax paid on the higher wages. The very significant and constant

challenges of employing staff in remote areas remain – clearly the Commission did not look, into this matter at all or it would have come to very different conclusions.

The Commission notes examples of higher wages for certain professions such as teachers, yet these comments lack perspective, as profession with these benefits are a very small proportion of all jobs in remote Australia, and are needed due to the enormous problems in attracting and retaining staff in these areas.

Housing concessions rare discussed but these are very rare.

If the Productivity Commission had a greater understanding of the challenges of living and operating business in remote Australia, this report would be very different.

I really think if the Commission is to undertake exercises like this in regard of remote Australia, then a much great use of people from remote Australia to develop the report should occur, so as to provide a much more solid perspective.

I have lived and worked in Darwin for over 17 years in several [professional roles, and it ia a huge challenge to attract and retain good staff. This was not contemplated in this report at all.

What account has the Commission taken of the reasons for the shrinking population in Darwin over recent years and the impact that has?

I have also seen people in the South East corner of Australia constantly making decisions about remote Australia, yet having very little understanding of it.

I urge the government to recognise that it is very hard to attract skilled people to many remote areas in Australia and that the country would benefit a great deal if a lot more were done to encourage people to move from the South East corner, to other parts of the country.

I urge the government to reject this report, and adopt a completely different perspective that:

- Recognises the critical importance of remote Australia to the whole country
- Recognises the significant extra challenges and costs of living in remote Australia
- Commits to implements measures to incentivise Australians to move to amend work in remote areas
- Does not exclude cities like Darwin where it is often a very challenging business environment