

Julie Matheson

Productivity Commission
Remote Area Tax Concessions and Payments Inquiry
By Email: remotetax@pc.gov.au

Dear Sir,

The Western Australia Party is a registered political party based in the State of Western Australia. Its primary purpose is to advocate for and represent the interests of Western Australian residents and businesses.

Please find attached our party's submission to the Productivity Commission Remote Area Tax Concessions and Payments Inquiry.

In our submission we detail alternative methods to provide concessions to regional and remote areas or territories which may require it and for what purposes these concessions should be provided.

Please feel free to call or email me if you have any queries.

Yours Sincerely,

Julie Matheson
29th April 2019

**WESTERN AUSTRALIA PARTY
SUBMISSION TO THE PRODUCTIVITY COMMISSION
REMOTE AREA TAX CONCESSIONS AND PAYMENTS ENQUIRY**

APRIL 2019

Western Australia is Australia's largest state in terms of land area (2.5M square km or 33% of Australia's land mass) but only 11% of Australia's population. 75% of Western Australia's population reside in the Perth Metropolitan Area.

The cost of living in regional and remote areas in Western Australia provides strong disincentives to residing in these areas, resulting in the Perth metropolitan area sprawling out, while regional areas have negative population growth. There should be incentives for people to live and work in regional areas.

Recommendation 1: That FBT be removed in regional and remote areas.

FBT on company housing has encouraged FIFO in mining areas, which has detrimental effects on regional towns. Similarly for company supplied housing and vehicles in other regional areas.

Recommendation 2: That Fuel excise be removed in regional and remote areas.

Fuel excise unfairly targets regional areas due to the high distances travelled, whereas most road funding goes into the cities, particularly on major road projects.

Recommendation 3: That regional airfares be capped or subsidised to provide reasonable airfare pricing.

The price of regional airfares in Western Australia is a strong disincentive to reside in regional and remote areas and airfares need to be reduced to provide residents and businesses in these areas with a fair cost to travel to the city for medical treatment, education or other reasons.

Recommendation 4: Regional areas should be treated the same as "Remote areas"

Regional areas and "remote areas" have similar issues, not just those classed as remote because they are north of the 26th parallel.

Recommendation 5: Retain Zone Tax Offset

The Zone Tax Offset should be retained and extended to all regional areas.