



BROOME INTERNATIONAL AIRPORT

11 October 2019

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

Broome International Airport (BIA) – Productivity Commission Submission

A proposed abolishment or reduction in Remote Area Tax Concessions and Payments would significantly disadvantage residents, businesses and industries in Broome and the Kimberley.

The cost of living in the Kimberley region of Western Australia is on average 12.9% higher than Perth, (based on the most recent Regional Price Index (RPI) produced by the WA State Government in 2017) with the cost of housing, fuel, insurance, transport, education and healthcare being significantly higher than other Australian regions. Other issues faced by the Broome community include geographic isolation, extreme climate conditions and business seasonality. These issues make it extremely difficult and costly for residents to live in the Kimberley, and for BIA and other Broome businesses to retain staff, maintain and improve infrastructure and attract new business and investment. Zone tax offsets, remote area allowances and fringe benefits tax concessions are important to offset these disadvantages.

The Kimberley is largely untouched and underdeveloped, with significant economic development opportunities already having been identified in the tourism, resources and energy, aquaculture and agriculture industries. The continuation of a Remote Area Tax Concession and Payment scheme provides an incentive for future development of projects in these industries.

While the current Remote Area Tax Concessions and Payments scheme is outdated, and needs to be refreshed, BIA believes the current benefits should remain. Additional Remote Area Tax Concessions and Payments should also be considered to allow regional areas such as the Kimberley to explore already identified economic opportunities. This will support the future growth of not only the region but the country.

We strongly urge the Commission to consider the benefits of a Remote Area Tax Concession and Payment scheme to regional communities such as Broome and the Kimberley.

Yours faithfully,

Paul McSweeney
Chief Executive Officer
Broome International Airport Pty Ltd