




Speech By  
**Brittany Lauga**

**MEMBER FOR KEPPEL**

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Record of Proceedings, 12 May 2016

**MOTION: FEDERAL BUDGET, BACKPACKER TAX**

 **Mrs LAUGA** (Keppel—ALP) (12.40 pm): In respect of this issue, I am constantly shocked by the lack of intelligence from those opposite. Perhaps I should not be shocked. It is crazy to consider imposing a tax on backpackers that will destroy a \$950 million industry in Queensland. We will not have any income from backpackers because they will not come anymore. The coalition wants to not only impose a tax but also destroy an industry at the same time.

I rise to speak in support of the motion. I am concerned about the impact of a backpacker tax on working holiday visa holders. This 32.5 per cent backpacker tax on working holiday visa holders will be a double slap to Central Queensland, because it will not only hurt our local agricultural sector that relies on backpackers to fill seasonal jobs such as fruit picking and harvesting but also hurt our local tourism industry and deter holiday-makers from choosing to visit Australia.

Every year, Queensland welcomes more than 160,000 overseas visitors on working visas. For the year ending December 2015, Central Queensland welcomed more than 44,000 backpackers for over 375 visitor nights. I table a copy of Tourism Research Australia's report on the visitor numbers for the year ending December 2015.

*Table paper:* Extract, undated, from Australian Government—Austrade website, titled '10B International Backpacker Visitors, Visitor Nights and Regional Expenditure by Capital/Regional' [688].

In Queensland, working holiday-makers spend \$950 million and now the federal government wants to take a third of that in tax. More than half of the \$950 million spent by working holiday visa holders—around \$487 million—in Queensland is spent in regional Queensland. I table a copy of Tourism Research Australia's report on backpacker expenditure for the year ending December 2015.

*Tabled paper:* Extract, undated, from Australian Government—Austrade website, titled '9B International Backpacker Visitors, Visitor Nights and Regional Expenditure by Top 30 Regions' [689].

The proposed federal government tax changes mean that backpackers will not be eligible for the tax-free threshold, but will pay tax from the very first dollar they earn. Mr Turnbull just does not understand how important working holiday visa holders are to regional economies, such as that of Central Queensland. Not only do they contribute to our annual tourism spend but also they are an important source of labour for tourism operators and other businesses.

The tourism tax will significantly impact local tourism operators in Central Queensland such as Paul and Mandy Neubecker of Emus Beach Resort at Emu Park. Paul and Mandy have a beautiful backpacker resort at Emu Park. I think it is one of the best in all of Australia. I know that operators such as Paul and Mandy will be impacted by this backpacker tax. Tourism and agricultural businesses in Central Queensland also often employ backpackers to cover peak seasons, but with more than 30 cents in the dollar going to the tax office, Central Queensland will become a far less desirable destination for a working holiday.

Today there are many job advertisements for working holiday tourists on the website backpackerjobboard.com.au. Those jobs include grape pruners and mandarin pickers in Emerald and help on a sugarcane farm is required in Proserpine. Pubs in Airlie Beach, which is in the electorate of the member for Whitsunday, and also in Barcaldine, which is in the electorate of the member for Gregory, are looking for backpackers to work as bar staff and cooks. In my electorate of Keppel, farmhands are required in Yeppoon and staff are required for the Pumpkin Island eco resort. Paul and Mandy Neubecker at Emus Beach Resort at Emu Park are also advertising on backpackerjobboard.com.au for backpackers to work in their eco resort. It is ridiculous to suggest that backpackers save their income and take it home. They work to fund their holiday and spend it in Central Queensland. Working holiday-makers are among the highest spending and longest staying visitors to Australia, each spending an average of \$13,000, and contributing more than \$1.8 billion of expenditure to the economy every year.

This backpackers tax is nothing more than a tax on regional Queensland. It is a tax on regional Queensland that has been vehemently opposed by the National Farmers' Federation. Its president, Brett Finlay, said that strong feelings existed right across the agricultural sector about the tax changes for working holiday visa holders.

In closing, I would like to table a couple of comments that I have found from the Poms in Oz online forum where backpackers talk about coming to Australia—'I can see the number of backpackers dramatically falling soon.' 'Me, too, especially now they have stopped volunteering for food and beds as well. No wonder backpackers are considering other countries.'

*Tabled paper:* Extract, undated, from [www.pomsinoz.com](http://www.pomsinoz.com), regarding Australia working holiday visa tax [\[690\]](#).

*(Time expired)*