

Cloncurry Shire Council

38-46 Daintree Street
PO Box 3
Cloncurry QLD 4824
ABN: 76 581 540 914



Telephone: (07) 4742 4100
Facsimile: (07) 4742 1712
Email: council@cloncurry.qld.gov.au
Website: www.cloncurry.qld.gov.au

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Attention: Arseni Matveev

SUBMISSION - REMOTE AREA TAX CONCESSIONS AND PAYMENTS PRODUCTIVITY COMMISSION

I Welcome the review into remote area tax concessions

The zone Tax rebate is a worthwhile concept, aimed at creating an incentive to retain and attract people to remote areas of the country.

Unfortunately, the scheme does not achieve a worthwhile outcome at its current low level (approx. \$1000 at the max level), and with cities like Townsville receiving \$50.

Urban dwellers have access to a vast number of extra and /or more affordable goods, services, health, education and leisure activities.

Cities like Townsville have grown to a point they do not need the rebate to attract and retain their population.

The scheme most likely to assist a population shift from urban areas to remote towns is a scheme that leaves more money in every worker's pay packet each fortnight, as opposed to a one-off benefit at tax time. People paying less tax, will have more money to spend, which will directly benefit local business and create an environment that does help businesses grow.

A flat tax rate of 10% would mean a very strong lift in local economies, but at very little cost to treasury (if at all once rebates on major regional coastal cities is removed)

The population of rural and remote Australia would be under 1% so the taxable income (also noting higher than average unemployment figures) would be well less than 1%.

Governments are struggling with urban sprawl, increasing congestion and overcrowding in cities, so a reasonable scheme to incentivize people to move out would be practical and sensible.

I look forward to some sensible recommendations from the PC to create a tax scheme that supports and grows rural and remote areas of our great nation

Yours faithfully

Greg Campbell
Mayor