## **INQUIRY INTO ZONAL TAXATION**

Organisation: Walgett Shire Council

Name: Mr Don Ramsland

Position: General Manager

Date Received: 3 June 2016



## Shire of Walgett

Reference:

Contact:

Your Reference: PS

Don Ramsland

1st June 2016

Legislative Assembly: Committee on Investment, Industry and Regional Development Parliament of New South Wales Macquarie Street Sydney NSW 2000

Re: Walgett Shire Council submission to the NSW Parliamentary Inquiry into Zonal Taxation

To whom it may concern,

The Walgett Shire Council welcomes the Parliamentary Inquiry into Zonal Taxation which could have possible benefits for our local economy, infrastructure and services in NSW.

With a population of 2.9 million people, Regional NSW is not only the largest but the most diverse regional economy in Australia.

Bordering Queensland, South Australia and Victoria, the Far West covers approximately 41% of the total land area in Regional NSW. Renown for its culture, heritage and unique outback experiences it also has a diverse range of economic opportunities.

While distance can present challenges, the wide open spaces provide the people of the region with a great lifestyle as well as numerous business and employment opportunities in agriculture, mining and service industries such as health and education.

By introducing exemptions or concessions relating to Payroll Tax, Stamp Duty and Land Tax, the Walgett Shire Council believes it would attract new business to the area and encourage the growth of existing businesses. If tax reform was implemented it could be used to motivate economic development and attract new trade to the Far West.

The Walgett Shire is committed to embracing economic growth and suggests that by raising the Payroll Tax threshold from \$750,000 to \$900,000 it may lead to more jobs being created. Raising the threshold would allow businesses to employ more people residing in the area instead of engaging Contractors based in the larger centers.

In regards to both Land Tax and Stamp Duty, allowances or discounts could encourage the purchasing of both residential and rural properties within the region.

Despite the current drought, it must be acknowledged that Walgett was the 3<sup>rd</sup> largest supplier of agricultural produce during the 2010/2011 period. The Far West is a productive agricultural area and the climate allows for crop and pasture growth most of the year and livestock enterprises can be very lucrative. Unfortunately the agriculture industry seems to be out of

reach for a lot of young farmers and something needs to be implemented as the majority of landowners are heading towards retirement.

The Walgett LGA is rated amongst the third highest disadvantaged communities in NSW. Due to its remoteness, there are limited employment prospects and generational welfare dependency continues to be an ongoing issue. Unfortunately it also has the third highest recorded statistics in relation to chronic health and diseases.

With a high population of low income families, expensive Utility Charges such as electricity, fuel costs and fuel levies affect everyone in the community and could impact on potential investors who are looking to relocate or expand their businesses.

Businesses rely on the support of its consumers, if these charges continue to rise, less money is spent locally and it can affect the services and facilities provided in each of the communities. It is imperative that concessions for Utility Charges are reviewed on a regular basis.

Currently, the Walgett Shire is concentrating on both the Far West Initiative and changes to the Native Vegetation Act. Outcomes relating to these projects could have a huge bearing on the Far West region and it is hoped that any changes will see an escalation in trade and industry.

In regards to the inquiry into Zonal Taxation, it is hoped that any alterations will be in the best interest of existing businesses, potential investors and residents who live in the region of Far West NSW.

Yours faithfully,



General Manager

References: NSW Government, Trade & Investment: Far West Economic Development Strategy for Regional NSW (Feb 2015).