

MEDIA RELEASE

Labor's Plan ignores the needs of FIFO Workers

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The Australian Manufacturing Workers' Union (AMWU) welcomes Labor's commitment to cracking down on multinational tax avoiders and to tightening the superannuation tax concessions. The union has long argued for these progressive changes.

However the union is extremely concerned about the impact on fly in – fly out workers, and drive-in drive-out workers, from Labor's support in changing the Zone Tax Offset.

FIFO workers who spend more than 183 days a year working in remote areas are currently recompensed by being able to claim the zone tax offset. Labor is supporting the Budget's change of this offset to only be available to permanent residents of remote areas.

The offset exists in recognition of the high cost of living, including purchasing food, in very remote areas. It also helps compensate for the long periods of isolation away from family and support networks.

"This change is a bipartisan betrayal and will negatively effect thousands of workers around Australia, particularly in WA, QLD and the NT," said AMWU National Secretary Paul Bastian.

"We oppose the removal as it applies a blanket rule to a variety of different work and personal situations.

"Removing the offset assumes that every FIFO worker lives in accommodation provided by their employer, and that every FIFO worker is provided with food or canteen services.

"This is simply not the case. Whilst some workers are provided with accommodation and victuals, many FIFO workers have to purchase their own supplies and food in remote areas and organise their own accommodation.

"This will have a huge impact on workers, and cause further stress on what are already challenging work situations.

"Being separated from family and friends for lengthy periods of time is bad enough - now the Government and Labor want to punish these workers by taking away their tax offset.

"We agree that people who live in very remote communities need support. But so do FIFO workers, who are often away from home for more than half the year, and who already suffer from higher rates of mental illness and suicide than the population at large," said Mr Bastian.

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