

## **Now is the time to bury Backpacker Tax**

The Australian Tourism Export Council (ATEC) today called on the Government to bury the backpacker tax amid calls in the Nationals Party room to scrap the retrograde proposal which threatens the successful future of Australia's tourism industry.

"ATEC supports calls by members of the National Party to have this destructive tax proposal taken off the table for good," ATEC Managing Director, Peter Shelley said today.

"The Prime Minister recognised problems with the proposal back in May and put a six month freeze on its introduction. Now we need to see this proposal scrapped in order for Australia's tourism industry to move forward in a positive way.

"While this proposal remains in limbo, Australia we will continue to send a negative message to the international tourism market which is going to lose us valuable visitors."

Mr Shelley said the six month delay on the introduction of a 32.5% 'backpacker tax' was not enough to send a strong message to the market that Australia remains a great destination for youth travellers.

"We are pleased to see the Nationals are strong advocates for an end to this proposal and we urge the Government to adopt the same approach.

"A review of the tax is currently scheduled for early 2017, leaving backpackers considering an Australian holiday unsure of what to expect and this will only further encourage them to consider an alternative such as New Zealand or an Asian destination.

"Our members are already expressing concerns about the ongoing uncertainty and have seen this reflected in their bookings - while this tax remains on the cards, we will continue to lose market share."