

Manager  
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The Treasury

I am currently a United States citizen working in Australia on a 457 visa. I have heard that the laws surrounding eligibility for LAFHA may change in June 2012. Firstly, I don't think it is fair to exclude personnel from being eligible for the exemption because their permanent residence (home) is not in Australia. I am still required to maintain my permanent residence just like someone who had a home in Australia. In my opinion, it borders on discrimination.

Secondly, if you are going to change the law then there should be a grace period. There are a lot of 457 holders who have signed multi-year contracts based on the current laws. It would be unjust for both the employees and employers to either force people to take a substantial cut in pay without notice or quit their jobs. A one to two year grace period would allow people to complete their current contracts. This will help both the Australian companies who hired the individuals without penalizing 457 visa holders.

Regards

Robert Benton