

## Communiqué

### PEAK PROFESSIONAL BODIES UNITE TO OPPOSE TAX ON LEARNING

A broad range of peak professional bodies have joined together to call on the Federal Government to abandon the proposal to cap tax deductions for self-education expenses.

At a time when education has never been more important, the measure effectively imposes a tax on learning.

The Government has not made the case for change and it has ignored the importance of self education and mandatory continuing professional development for the safety and quality of services in key sectors such as health care delivery as well as for Australia's economic future.

The \$2,000 per annum cap will discourage many people from progressing professional careers and will especially disadvantage rural areas reliant on health practitioners with broad and up-to-date skills.

The cap threatens Australia's ability to become a productive, innovative, contemporary knowledge-based economy.

Nurses, doctors, dentists, engineers, veterinarians, universities, accountants, postgraduate students, architects, pharmacists, lawyers, directors and many services professionals have all come together to speak with one voice in a bid to prevent this budget measure from undermining the Australian economy and the future health and well-being of the community.

The cap will discourage people from being sufficiently prepared for the high value jobs of a modern services and knowledge based economy.

Planning for a suitably educated workforce for the future is essential for any government and must ensure that teachers themselves are not discouraged from up-grading their skills and knowledge.

The Australian Workforce Productivity Agency (AWPA) has warned that industry demand for those with higher education qualifications is set to soar with growth rates of between 3 and 4 per cent every year to 2025. The cap puts at risk the ability to fill this demand for a skilled labour force.

Skill shortages do nothing to increase productivity.

This measure impacts on efforts to expand the economy.

The AWPA found that every extra dollar invested in tertiary education expands the economy by about \$26 and tax revenues by \$8 because people are able to earn more, spend more and pay more tax.

The cap on self-education tax deductions will particularly disadvantage some groups in the community by deterring those seeking to upgrade their skills and education, for example women returning to the workforce after having children.

Many bodies that oversee professional accreditation require annual on-going professional education to ensure their members' qualifications and knowledge are up to date.

Professionals including doctors, nurses, midwives, dentists, pharmacists, accountants and lawyers are required to undertake continuing professional development so the public is provided with quality services.

The cap will escalate the cost of education to individuals, including the self-employed, to meet these professional obligations. If unable to be met by the individual, it will create an unaffordable impost on small business.

It will also compromise the availability of quality continuing professional development courses.

The following professional bodies call on all federal politicians to abandon the proposed \$2,000 cap on tax deductions for self-education.

### **Associations Forum**

**Australian Computer Society**

**Australian Dental Association**

**Australian Healthcare & Hospitals Association**

**Australian Institute of Architects**

**Australian Institute of Company Directors**

**Australian Medical Association**

**Australian Nursing Federation**

**Australian Services Roundtable**

**Australian Veterinary Association**

**Consult Australia**

**Council of Australian Postgraduate Associations**

**CPA Australia**

**Engineers Australia**

**General Practice Registrars Australia**

**Institute of Chartered Accountants Australia**

**Law Council of Australia**

**Pharmaceutical Society of Australia**

**Pharmacy Guild of Australia**

**Professions Australia**

**Rural Doctors Association of Australia**

**Universities Australia**