

TRANSCRIPT

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Transcript: AMA Queensland Immediate Past President Dr Maria Boulton and AMA Queensland Councillor Dr Fiona Raciti, Doorstop, Family Doctors Plus Windsor, Sunday 29 September 2024

Subject: Payroll tax exemption for GPs

DR MARIA BOULTON: Thank you and welcome everyone. My name is Maria Boulton, I'm the AMA Queensland Immediate Past President. I'm also a GP here in Brisbane and I've worked regionally in Mackay for 10 years.

The patient tax is a problematic tax. It is an immoral tax. It will affect people who are the most vulnerable, so people who visit the GP more often, those with chronic illness, those with mental health issues and those with young families. AMA Queensland absolutely welcomes the LNP's commitment to abolish this patient tax. We know for a fact that more people than ever are putting off medical care because of cost-of-living pressures. This patient tax will add more out-of-pocket costs to patients, particularly in aged care facilities.

We estimate that that cost would range from \$6 to over \$30, at a time where cost-of-living pressures are making it very difficult for patients. Just the last week I had a patient who came in who asked me, "Dr Maria, I'm on three medications, which one do I absolutely need because I cannot afford them all." So this patient tax is a real problem, particularly for those vulnerable patients.

With the LNP's commitment, we absolutely welcome it. We hope that it gets rolled onto all private medical practices, and we know that it'll make a difference for people who are having issues accessing their GP. We know that GPs keep people healthy and out of hospital, we know that GPs are the first port of call for people who have mental health issues, and we know that GPs are essential for anyone, especially in Queensland, especially in our rural and regional communities, where they also deliver babies, provide anaesthetics and emergency care.

QUESTION: Maria, how do we compare to other states? Is it only a tax here in Queensland? Or is it a tax that all GPs across the country face?

DR MARIA BOULTON: Payroll tax is state-based. And Queensland is leading the way. Currently we do have an amnesty. But everyone's concerned about the changes coming next year, and we know that there will be pressures on bulk billing rates if this patient tax continues.

QUESTION: Would it make us more expensive than other states to go to the GP?

DR MARIA BOULTON: There's no denying that payroll tax will make visits to the GP more expensive.

QUESTION: Is this a better way of dealing with the tax issue than what the current government is proposing?

DR MARIA BOULTON: This is one of the many recommendations that AMA Queensland put forth prior to the election, and certainly it's one of the major things that is happening. It's a massive announcement. We also need more rebates. Medicare rebates are woeful. We know that they have not kept up with the cost of providing services, and we're looking on the federal government to increase them. But certainly this will make a huge difference, particularly in Queensland where the payroll tax rate is not insignificant.

QUESTION: Maria, the state government's argued that they've given GPs time to work out how they can be exempt from this tax. Why is that not enough?

DR MARIA BOULTON: It's immoral for people to have to pay a patient tax on their healthcare. We know that public hospitals and most private hospitals are exempt for a good reason, and that's because healthcare needs to be universal, and it needs to be accessible. The issue with the current ruling is that it adds administrative burdens to the practices. And, honestly, I would much rather work with a nurse than have to pay an accountant to sort out the administrative burden.

The other thing is that there is no absolute process that can help us manage the solution that has been put through the QRO. So, it's going to take time, and it's going to be expensive. And at a time where all the funding needs to go into patient care, not a tax.

QUESTION: Can you just clarify, sorry, if a GP did what the state government said they should to become exempt from it, could a GP avoid the payroll tax as it stands?

DR MARIA BOULTON: It depends. It has not been tested in a court of law. And this is what has us worried. The other thing is that not every practice will be eligible for that solution.

QUESTION: How much would the administrative burden actually... Is it known how much that would actually be?

DR MARIA BOULTON: Yeah, we estimate, and it will vary between practices, but we estimate that that cost may start at \$2,000 to \$50,000 per year. And to \$50,000 per year, if you can think about employing a nurse, where would you rather that money go?

QUESTION: I understand, speaking to previous doctors, that some people are considering shutting down because of this payroll tax. Do you believe that this will be a really good option to make sure that there is a lot of doctors available?

DR MARIA BOULTON: This will definitely keep practices open. Absolutely. And we know that there are many practices across Australia closing because of financial pressures. And we're not alone, we're a small business. Same as other small businesses, there's financial pressures everywhere for a small businesses. And at this time, we know that this will alleviate that pressure and hopefully keep more practices open.

QUESTION: Is the AMA lobbying for anything else other than this tax break, this election?

DR MARIA BOULTON: Oh, most definitely. We have a list of priorities. Our number one priority is workforce. There are not enough healthcare workers. We know that there are pressures with doctors, nurses, allied health. And we need the government of the day to come up with a comprehensive workforce plan to ensure that we're training enough doctors, nurses, allied health professionals, particularly in Queensland, we're such a decentralised state. And for the first time in many, many years there have not been enough interns to fill all the intern positions in Queensland Health, which is shocking. Because those doctors are your future specialists. They will be your future GPs, surgeons, cardiothoracic surgeons, physicians. And it's really essential that not only we look at training more, but we also look at retaining those doctors, especially doctors in rural and regional areas.

QUESTION: Do you know how many short we are? How many you want to see?

DR MARIA BOULTON: Well, Queensland Health estimates that we're short 400 medical student placements.

QUESTION: When I go to the grocery store and get milk or whatever, grocery serves me, pays a payroll tax. That's essential as well as a GP. Why should that for-profit business pay it and not your for-profit business?

DR MARIA BOULTON: Well, general practitioners pay payroll tax already on their employees. This is a new interpretation of the payroll tax rulings. So, this was going to apply on GP contractors, they're not employees. So, it's a new interpretation, it's tax that has never been collected. But we already comply with all our tax obligations, as every other business does.

DR FIONA RACITI: My name's Fiona Raciti. I'm a local GP here in Windsor, and I'm also the AMA Queensland Council General Practice Representative. This exemption from patient tax is very reassuring for us as local GPs. Our priority is and always has been our patients and patient care. So, taking away the worry about patient tax, whether we're going to have to on-charge that to our patients to keep the cost of patient care the same is an excellent election priority for us. And it will make all the difference for us coming into next year with cost-of-living pressures as everyone knows. We just want to look after our patients, and this will allow us to do so in the same way that we have been doing so far.

QUESTION: Are there any GP clinics that have tried to switch over? Obviously there's been this interim transition period.

DR FIONA RACITI: Yes, but there's been lots of uncertainty about what the correct solution is, and so we haven't actually had a lot of detail about that. And it's very expensive, as Maria said. So, as a small business, it's hard for us to make a change without any certainty, because that would cost us a lot of money without even reassurance that that's going to provide a sustainable solution for us long-term.

QUESTION: Would it be very annoying to go one way, spend all this time going one way, and then completely turn around and come back the opposite direction again?

DR FIONA RACITI: Not so annoying but expensive and not viable for us. I mean, general practice is a small business as we know and the profit margin is almost zero. So, really what we're trying to do is keep patient costs down. We don't have the finances to go one way and then change quickly and go the other way. So, the exemption really is the only way that we can move forward and keep the patient costs down.

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