

MEDIA RELEASE

18 September 2024

RACGP celebrates ACT Labor commitments on payroll tax and general practice

The Royal Australian College of GPs (RACGP) has praised election commitments from ACT Labor to support Canberrans' access to GPs through a pragmatic approach to payroll tax and greater exposure to general practice for junior doctors, and support better access to ADHD diagnosis and management.

ACT Chief Minister Andrew Barr and Minister for Health Rachel Stephen-Smith announced that following discussions with the RACGP's NSW&ACT faculty, if re-elected ACT Labor will:

- exempt income earned by GPs for bulk-billed services from payroll tax liabilities from 1 July 2025, aligning the ACT's approach with Victoria and South Australia
- co-design a \$4 million professional development and wellbeing fund to attract GP registrars, support the wellbeing of the GP workforce, and create opportunities for GPs
- work with the RACGP and other GP organisations to support increased scope of practice for GPs, including an
 expanded role in the diagnosis and treatment of ADHD for GPs with an interest in this area
- establish an \$11 million fund to encourage more bulk billing in the ACT and expand the availability of multidisciplinary care in local general practices.

The College particularly welcomed the changed approach to payroll tax. Previously, the RACGP had sharply criticised the ACT Government's payroll tax on GPs who work under independent arrangements, warning the tax would hit patients and lead to fewer GPs working in Canberra.

NSW&ACT Chair Dr Rebekah Hoffman welcomed the announcement, which would bring the ACT's payroll tax approach into line with <u>Victoria</u> and <u>South Australia</u>.

"Today's announcement on payroll tax indicates Canberra GP practices will have far more certainty about their fiscal viability, their ability to hire staff, and their ability to attract GPs to work in the capital," she said.

"This has been a weight on practices' ability to recruit GPs from outside the ACT and plan for the future. Most GPs work under independent arrangements, rather than as employees, so where a payroll tax is applied, it ultimately costs patients.

"It's also fair to say our discussions with ACT Labor on payroll tax were contentious. While we still need to work out the details and consult with our members, this announcement shows a commitment to working with GPs on a pragmatic solution. I hope that if Labor is re-elected to government, this makes Canberra a far more attractive environment to start a practice, train in, and work in as a GP."

Dr Hoffman said the ACT Labor's proposal to give junior doctors more general practice experience and to expand GPs' scope in ADHD management and diagnosis were also welcome, but encouraged the party to go further to secure its GP workforce.

"The best way to encourage junior doctors to train as specialist GPs is to <u>directly incentivise that training</u>, but ensuring junior doctors experience general practice rotations will encourage more of them to consider training as GPs," she said.

"Junior doctors should have the opportunity to experience the challenges and rewards of a career as a GP via rotations early in their training. When asked, 71% of junior doctors told us a GP rotation early in their training would help their career planning. This is a good first step, but we also encourage ACT Labor to consider incentivising GP training.



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"Victoria boosted the number of doctors training as specialist GPs almost immediately after announcing a \$40,000 incentive. It would be the smart move, and given many junior doctors take a pay cut to train as a GP that other specialists in training simply do not face, an equitable one.

"Diagnosis and treatment for ADHD is an area where many GPs are ready to help patients and their families. It's an area where GPs already give our patients support, and the ability to make access to diagnosis and management less complex, expensive, and stressful for patients was supported by the federal ADHD inquiry. As its <u>report said</u>, GPs can make ADHD treatment far more accessible for our patients, from diagnosis to medication management."

Dr Hoffman also welcomed Labor's planned investment in multidisciplinary care if the government is re-elected.

"It's rare for a state or territory government to recognise the importance of general practice to the rest of the health system through direct support for existing practices," she said.

"While we will need to discuss the design of the proposed \$11 million fund to encourage more bulk billing, it's a promising approach.

"It recognises the value of general practice to the efficiency and quality of the rest of the health system, especially by keeping people out of costly hospitals. The health system is like a body – all of our organs need to be working in concert to keep us healthy, and GPs are the first line of defence against illness and the key to chronic disease management and keeping people healthy.

"Patients who can see a GP when they need to are less likely to end up in a hospital emergency room – or back in there after being discharged. Supporting bulk billing for patients who need it, via direct payments for construction, refurbishment and staff costs may help services continue to bulk bill patients under 16, and create healthcare savings for families.

"There's no substitute for the high-quality care you get from a GP who knows you and your history."

~ENDS

RACGP spokespeople are available for interviews: <u>03 8699 0992</u> / <u>media@racgp.org.au</u>.



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About the RACGP

The Royal Australian College of General Practitioners (RACGP) is the peak representative organisation for general practice, the backbone of Australia's health system. We set the standards for general practice, facilitate lifelong learning for GPs, connect the general practice community, and advocate for better health and wellbeing for all Australians.

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