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AMA Transcript: AMA President, Prof Steve Robson, AMA (NSW) President, Dr Michael Bonning and practice owner, Dr Aziz Iboyan press conference on Friday 3 March 2023.

Subject: AMA president takes payroll tax fight to NSW Treasurer Matt Kean's electorate.

STEVE ROBSON: I'm Professor Steve Robson, Federal President of the AMA, and I'm here today in the electorate of the New South Wales Treasurer to talk about an issue that has enormous implications and is worrying patients around New South Wales.

The New South Wales Government is threatening to broaden the application of payroll tax. If that happens, patients are concerned that it will be a patient tax and every time patients go to see their GP or doctor, they'll be slugged as this tax is passed on to them. We understand why patients are concerned and we understand why the doctors who are looking after patients in New South Wales see this as such a major issue.

The New South Wales Government now has the opportunity to do the right thing, to provide clarity and reassure doctors and patients around New South Wales that they will not apply payroll tax in such a way that it gets passed on as a patient tax, which is such a big concern.

I'm here because the entire country is watching what happens in New South Wales. State and Territory governments around the country are looking to see if they too can get away with this greedy tax grab on some of Australia's sickest people. The New South Wales Government and Mr Kean have the opportunity to do the right thing by the patients of Australia and we're hoping they make the right choice.

I'm going to hand over at this point to the New South Wales AMA President, Dr Michael Bonning.

MICHAEL BONNING: Dr Michael Bonning, President of the AMA New South Wales. Payroll tax changes for general practice are a move to turbocharge the decline of bulk billing. The New South Wales Government has had the opportunity to act and needs to act on this to make sure that general practice is accessible, especially to those patients who are most vulnerable.

This is a patient tax, and that patient tax will affect those people who need to see the GP more regularly. Because of that, it's going to be on those people with chronic diseases, with illnesses and with problems that mean they are in and out of the general practice office, and that is important. We need those people to have good access to health care, otherwise they end up in our hospitals and they end up in disconnected care, which is just going from episode to episode rather than the connected, thoughtful care of a doctor who knows them.

I'm a GP myself, and I know we, as a practice, are having to make decisions about what to do about our pensioners, about people on fixed incomes who we want to spend time with. We know that spending time and investing in them is important, and yet we're having to make financial decisions and increase the fees for them at the same time.

QUESTION: Can I ask you a question? How will this impact bulk billing rates?

MICHAEL BONNING: We expect that bulk billing rates will continue to drop and this will hasten the drop in bulk billing here in New South Wales. Adding 5.45 per cent tax to the payroll of a general practice means that we just have to keep increasing fees. And the discretion we used to have where we tried to bulk bill those people of more limited means is now something that's going to be taken out of our hands by the Government of New South Wales.

QUESTION: Dominic Perrottet recently went to the National Cabinet and was seeking some strengthening of Medicare and some other reforms to ease the pressure on public hospitals. What would you say to him about this particular issue and the state's responsibility?

MICHAEL BONNING: To Premier Perrottet: we are not the government's tax collectors. We should not be in a position where our patients are having to make choices about their health care because your government and the State Revenue Office want to extract more money out of general practice. At the same moment, Premier Perrottet has been talking about health reform and more money for the health system. But if that money is just going to cycle around the system and end up straight back in Government coffers, who's it helping? Because it's certainly not helping the patients.

QUESTION: Why are you here in Matt Kean's electorate?

MICHAEL BONNING: So we're here in Hornsby, in Matt Kean's electorate. We know that this is an important issue for people who live here. We talk and have been talking this morning to patients who tell us that it's critical that they continue to have good access to general practice. And changes to payroll tax will mean that bulk-billing general practice will become a thing of the past. It will become less and less accessible, and that's why it's the Treasurer's responsibility, together with the Premier, to make a commitment for the people of New South Wales.

I'll hand over to Dr Aziz.

DR AZIZ IBOYAN: As a general practitioner in Sydney, I want to mention that one of the best advantages of the medical care in Australia is easy accessibility, which helps us in diagnosing and treating numerous medical conditions. My major concern is a proposition of the payroll tax, which will cause further fragmentation of the medical continuity of the care. We're very concerned as general practitioners, and we don't see any positives if this tax will be implemented. I have to say that medical centres are already operating under the big stress, and this will cause additional stress on them which we want to avoid at all costs. We do understand that our patients are of the same opinion.

I have to specifically mention that we've been contacted by office and Treasurer of New South Wales, Matt Kean, with a very positive approach to the issue and we're hoping that will come to fruition quicker, sooner as possible. We do have a number of disadvantaged patients and implementation of this tax will directly affect them.

QUESTION: So if you're hit with a massive payroll tax bill, what will you have to do as a practice owner?

AZIZ IBOYAN: The only way to continue operating in the case of the payroll tax being implemented is introducing private bills, private fees, which we are trying to avoid at all costs.

QUESTION: You were telling me earlier about the discretion and the ability of not billing certain patients, including some patients who don't have Medicare. Can you talk about that?

AZIZ IBOYAN: Yes, and in fact, one of the patients is here standing behind us from Ukraine, who came to Australia as a Ukrainian refugee around eight to nine months ago. I have to say, it's a pleasure to help people who is in disadvantaged situation. And this is another side of the practice as a general practitioner to help disadvantaged people. However, again, this payroll tax will cause us more stress. And I don't want to see, I hate to see the situation when people like Sergei cannot approach with the medical care. I'm more than happy for you if you want to ask him a question so he will let you know.

QUESTION: And can you tell us a little bit about your practice here?

AZIZ IBOYAN: Okay. Our practice, Hornsby Whitehouse Medical Centre*, has been operating from 2016. It's quite a popular practice. We look after the group of patients in the area. We're proud of being given such an opportunity. We have great patients. We have a great experience. We happy to participate in the community life, and we intend to keep it that way. And we prefer and we want to continue bulk billing if it's possible. However, it's getting harder and harder.

*NOTE: Dr Iboyan's practice treats 11,000 patients, 99 per cent of whom are bulk billed.

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