

## SCRAP THE CAP: GOVERNMENT DUMBS DOWN WORKFORCE

A coalition of professional bodies is calling on the Government to abandon a proposed \$2,000 cap on tax deductions for self-education, claiming it will damage the competitiveness of Australia's workers.

Consult Australia represents firms who employ engineers, architects, quantity surveyors, and project managers, many of whom have compulsory and ongoing education requirements.

CEO of the association, Megan Motto claims the reforms will hit the advanced services sector hard, with employers unlikely to fill the gap.

"The government should listen to business; scrap the cap and target the education reforms to those who abuse the system," said Ms Motto.

"This broad cap will act as a disincentive for professionals to invest over \$2,000 in self-education and will put regionally-based workers and parents returning to work at a distinct disadvantage.

"The unintended consequence of the limit will be a dumbing-down of the Australian workforce with a consequential negative impact on workforce productivity.

"Employers will be unlikely to dig deeper into their pockets to help professionals seeking financial support to subsidise self-education training."

Consult Australia's annual skills survey showed that employers in the built environment consulting sector typically spend at least two to three per cent of employment costs, and some up to eight per cent, on training their employees.

"Employers will likely be unable to make greater investments in training as it would make it even harder to remain competitive with service providers operating from lower cost centres overseas," said Ms Motto.

"For small businesses particularly, this cap would see even greater costs incurred by employers – which they simply will not be able to manage."

The coalition of professional and industry bodies representing professionals including: architects; engineers; healthcare professionals; teachers; accountants; IT staff; vets; and lawyers has convened today in Canberra to raise their concerns over the cap.

"As a united business community we call on the Government to support workforce productivity by abandoning the cap and instead targeting reforms at those who abuse the system," said Ms Motto.

### Ends

7 July 2013 - **Embargoed Monday, 8 July 2013 10:00am (AEST)**

For further information or to arrange an interview, please contact PR & Policy Coordinator, Gillian O'Young on (02) 9922 4711/0423 223 620 or via email at [gillian@consultaustalia.com.au](mailto:gillian@consultaustalia.com.au).