

Media Release

Mr Tim Pallas MP
Treasurer
Minister for Industrial Relations
Minister for Economic Growth



Wednesday, 22 May 2024

SUPPORTING MORE BULK-BILLED CONSULTS FOR VICTORIANS

The Allan Labor Government is working with other Australian jurisdictions to support our general practitioners to provide more bulk-billed primary healthcare consultations for families.

Following extensive consultation with the primary care sector and work to align settings across the country, all Victorian general practice businesses will receive an exemption from any outstanding or future assessment issued for payroll tax on payments to contractor GPs for the period up to 30 June 2024.

A further 12-month exemption from payroll tax for payments to contractor GPs, through to 30 June 2025, will be available for any general practice business that has not already received advice and begun paying payroll tax on payments to their contractor GPs on this basis.

This exemption will be provided through the Treasurer's existing 'ex gratia' powers, and would be applied in this way under any Labor Government.

To help GPs provide more bulk-billed consultations, the Labor Government will provide an exemption from payroll tax for payments to contractor GPs and to employee GPs for providing bulk-billed consultations from 1 July 2025.

While there had been no change to payroll tax obligations for medical businesses, the Government has been engaging with the primary care sector for over a year about the pressures on GPs and the need for certainty – these changes will support GPs and the important work they do looking after Victorians.

Following a decade of neglect from the former Federal Liberal National Government, the Labor Government has stepped in to support primary care by delivering \$32 million to support graduate GPs – encouraging medical students to take up a rewarding career in general practice.

The *Victorian Budget 2024/25* also invests \$10 million to further support primary care through a grant scheme that will be co-designed with GPs.

Quote attributable to Treasurer Tim Pallas

"We've worked closely with the primary care sector on how we can best support them – and we're making these long-term changes to provide certainty to general practice businesses and support more bulk-billing for Victorians."

Quote attributable to Minister for Health Mary-Anne Thomas

"We know that primary care is broken following a decade of neglect from the former Federal Liberal National Government - this will deliver certainty for GPs and help to strengthen and grow bulk billing rates."

Quotes attributable to President of Australian Medical Association Victoria Dr Jill Tomlinson

"General practice is vital for keeping Victorians out of hospital. After listening to advocacy from the sector, the state government has implemented changes that deliver certainty and clarity to Victorian general practices."

"While AMA Victoria acknowledges that there will be costs associated with this transition, it is extremely positive news for general practices, general practitioners and Victorians."

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Quotes attributable to Australian GP Alliance Deputy Chair Dr Mukesh Haikerwal AC

“On behalf of General Practice owners and patients who we care for, AGPA has sought clarity, consistency, stability and a fair and understandable system to work with. “

“We thank the Victorian Government for their decision and commitment to the primary care sector as this outcome will support practices to remain viable into the future and help Victorians continue to have access to affordable services as we work together through the details to ensure affordability of health services to Victorians. GPs can now focus on caring for their patients and the health system.”

Quotes attributable to Primary Care Business Council member Dr Rodney Aziz

“We welcome this decision by the Victorian Government which will relieve the immediate pressure on general practice and ensure primary care remains affordable for all Victorians as the cost-of-living crisis continues.”

“As the representative body for more than 40% of general practice consultations across Australia, the Primary Care Business Council has advocated for a sensible approach to payroll tax and we commend the Victorian Government for making the right decision, one which will allow Victorian doctors to continue delivering the highest standards of affordable care that patients can rely on.”

Quotes attributable to Royal Australian College of General Practitioners Victoria Chair Dr Anita Munoz

“The prospect of retrospective tax bills on GPs was a source of enormous stress for many general practice teams and their communities. We are grateful the Victorian Government has taken retrospective taxation off the table. This move will help keep local GPs’ doors open.

“We appreciate the Victorian Government coming to the table and working with us to find a middle-ground solution.”

“GP practices now have the certainty we’ve been asking for and can plan for the future.”

Quotes attributable to Australian College of Rural and Remote Medicine President Dr Dan Halliday

“The Australian College of Rural and Remote Medicine (ACRRM) welcomes the Victorian Government's decision to not retrospectively apply payroll tax to specialist general practitioners.”

“ACRRM appreciates the Victorian Government's decision to exempt bulk-billed consultations from payroll tax. However, national Medicare reform is still required to improve healthcare affordability.”

“ACRRM welcomes the opportunity to have ongoing engagement to understand the impact on rural, remote and First Nations communities and their ability to obtain timely, accessible and affordable primary health care.”

Quotes attributable to Rural Doctors' Association of Victoria President-Elect Dr Louise Manning

“The Rural Doctors' Association of Victoria (RDAV) is supportive of the announcement by the Victorian Government of the exemption of retrospective payments of payroll tax for general practice covering the period up to July 1 2025.”

“The accessibility of affordable primary care is of major concern to RDAV, and broader health system reform is needed to ensure the viability of private rural general practice into the future so that all communities can access safe and appropriate care close to home.”

“RDAV will continue to work with the Government to ensure that general practices in rural and regional Victoria will be able to continue to service their communities.”