



Speech by

Mr J. HEGARTY

MEMBER FOR REDLANDS

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EMPLOYMENT OPPORTUNITIES

Mr HEGARTY (Redlands—NPA) (7.07 p.m.): It has been brought to my attention that the Federal Government may not be doing all that is possible to encourage employment opportunities for those currently unemployed. As is common with most job positions, prior experience or qualifications are desirable, if not essential.

Recently, a constituent of mine undertook a training course to qualify him to gain employment in the security industry. The course, conducted by a leading security firm, is a prerequisite for anyone wishing to be employed in the industry. Naturally there is a cost to undertake the training, which I believe should be treated as a legitimate business expense, but it is not. This is clearly stated in the 1998 Tax Pack at section D4 on page 48.

Although self-development and training courses are tax deductible for an employed person, it appears that an unemployed person cannot claim a deduction for courses undertaken in order to qualify for employment. It may be argued by the tax department that it could not justify allowing a tax deduction for every person who undertakes a self-development course which may provide little or no reasonable prospect of leading to gainful employment.

However, I contend that there is justification to allow a tax deduction for training courses undertaken that lead directly to new employment and which are a prerequisite for that employment, provided that employment is gained within a reasonable time of undertaking that course. This inconsistency in the current tax laws further highlights the need for an overhaul of the taxation system. If a person conscientiously endeavours to improve himself to qualify for employment by outlaying funds that would be difficult for an unemployed person to find, surely that person should be able to recoup some of that out of future earnings.

I raised this matter with the relevant Federal Minister, but I thought the Premier, in view of his focus on reducing unemployment, might like to add his weight to this issue.
