

## **LOBBY TO MAKE PROFESSIONAL CAREER DEVELOPMENT SERVICES TAX DEDUCTIBLE**

**To the Tax Forum**

I urge the Forum to consider making the cost of professional career development and job search coaching services tax deductible for these reasons:

It would encourage greater use of career development services which, in turn, would help people get the jobs for which they are best suited, thus improving the nation's productivity

Professional career development and job search coaching already prevent many skilled but otherwise disadvantaged people from becoming unemployed and thus a drain on the public purse

It would encourage more people to consider career development coaching as a worthwhile career and this in turn would increase the public benefit of these services

and It would remove the following anomalies;

- professional career development and job search coaching makes a significant impact on an individual's earning power, in most cases greater than the services of a recognised tax adviser, costs of which are tax deductible
- career development and job search coaching is currently a legitimate tax deduction if the client is applying for promotion within the current employer organisation but not if the client is applying for a promotable position with another organisation or even a different government department
- it is also tax deductible if the costs can be ascribed to the family farm or small business. This is not available to those whose parents or partners are salaried
- because of the ever-changing employment market, people are increasingly being asked to consider themselves to be 'self-

employed', a micro business seeking new 'clients' or employers whenever the changing situation requires. Small businesses can claim business planning and marketing consultancy against tax but a 'natural person' can't claim professional advice for career planning (the equivalent of business planning) or self-marketing (job search)

Finally, initially this would make little difference to taxation income but, as the profession grows – and this move would, I am convinced, help it to do so – the loss of income would be offset by better productivity, better profitability, reducing the skills shortage and reducing unemployment.

My clients are mainly 19-30's. They are usually unemployed, under-employed, or plain "stuck" due to extenuating circumstances. All are concerned about their futures. Family members are fearful and describe feelings of helplessness. These clients are not psychologically damaged and all have the potential to get "unstuck". Let me give you an example. Jack finished Yr 12 with a very low tertiary entrance score, started a short TAFE course in horticulture, quickly became bored and decided he might as well work. He moved to an apprentice landscape gardener position and after a couple of months he was unhappy with no motivation to be there. He liked playing football, (200 games and captain of the team). He told me as a kid he thought about teaching. Why? .. "Because I'd do a better job than any of those teaching me". His natural gifts are different from others in his family; some ridiculed his aspirations. Yes, he did become a teacher.



Elwin Hall  
The Protean Connection: Career Development, coaching and mentoring  
T 03 9836 6565 M 0411 113 464  
PO Box 1013 Surrey Hills North 3127 VIC Australia  
elwin@protean.com.au  
www.protean.com.au

