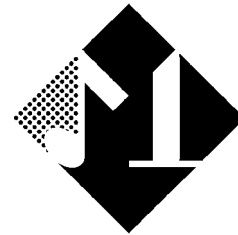


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Music Council of Australia

The Secretary
Senate Committee on the New Taxation System
Parliament House
Canberra
January 28, 1999

Dear Mr Diamond

The Music Council of Australia submits the following proposal for consideration by your Committee. We would be pleased to respond to any questions the Committee may have, or to support our proposal with oral testimony.

Sincerely

Dr Richard Letts AM
Chair

GST-FREE STATUS FOR PROFESSIONAL DEVELOPMENT PROGRAMS OF NOT-FOR-PROFIT MUSIC ORGANISATIONS

PROPOSAL

It is recommended to the government that GST-free status should be given to professional development programs of not-for-profit music organisations.

1. Organisations such as the Australian Society for Music Education and the state Music Teachers' Associations offer professional development programs which benefit the school systems at all levels, as well as the studio music teaching sector, but which are not adequately provided through the public sector systems.
2. Such programs include workshops, courses, conferences, and year-round provision of information.
3. These programs benefit not only the educational systems, but also the overall level of skill in the country.
4. These programs provide benefit to government institutions and the public but are paid for by the private efforts of practitioners, and should not be further inhibited by superimposition of a public tax.
5. Where professional development programs are offered by GST-free institutions, they will have an unfair advantage over the competing not-for-profit organisations.

6. Professional development programs of not-for-profit music organisations should be GST-free. (The membership fee in these organisations may pay for professional development where there is year-round provision of information and development services, and so may qualify also to be GST-free.)
7. The Government may wish to require a self-regulatory regime which accredits professional development programs or organisations, in order to ensure appropriate standards.