

PAYROLL TAX EXEMPTION THRESHOLD

917. Ms M.J. DAVIES to the Premier:

I refer to the series of financial windfalls that the state government has been the beneficiary of, including proceeds from the sale of public assets, the return of Western Australia's GST share and increased royalties. When can the small business sector expect relief from the insidious tax on jobs? When will the government increase the payroll tax exemption threshold?

Mr M. McGOWAN replied:

Obviously, we listen to the small business sector and, in fact, the entire business community of Western Australia. My government prides itself on having a good relationship with the business community of Western Australia. Whether they are small, medium or large businesses, we work with everyone across the community. A significant issue has been raised by the business community and we are currently listening to that. As I said before, they are the sorts of things that are desirable to do if the government can afford to reduce taxes—for example, payroll tax. However, we clearly have a priority of getting the state's finances back in check. It is true that we argued for and received a change to the GST system. I was very pleased to work with Malcolm Turnbull, the Prime Minister; Scott Morrison, the Treasurer; and Mathias Cormann to achieve that outcome, which was a good thing. We also worked very hard with BHP to receive a payment to resolve a longstanding royalty issue. We successfully resolved that issue and allocated that money to the new women's and babies' hospital, which will benefit city and regional women and babies for decades, if not centuries, to come. When the TAB is sold, over half of the proceeds will go to that hospital—35 per cent of the proceeds will go to regional racing infrastructure and 65 per cent will go to the new women's and babies' hospital. We are not blowing the proceeds. We are using the proceeds of our hard work for good outcomes, which will pay down Liberal–National government debt and build important infrastructure.