

PAYROLL TAX

**94. Ms M.J. DAVIES to the Premier:**

I add my thoughts to those expressed by the Leader of the Opposition and the Premier about the fires. The member for Warren–Blackwood is absent from question time today because he is in his electorate and I am sure that we are all thinking of the first responders and the communities impacted.

Premier, I refer to today's unemployment figures that show more Western Australians are out of work in 2019 than in any other point in our history. Will the Premier now reconsider the Nationals WA proposal put to this house in November 2017 to increase the payroll tax eligibility threshold from \$850 000 to \$1 million and, in turn, provide a tax break to more than 1 100 business, including many in regional Western Australia?

**Mr M. McGOWAN replied:**

We would love to do that if the Liberal–National government had not left us with \$40 billion of debt. It would be a great initiative if we could fund it. Unfortunately, the Liberal–National government blew debt by \$3 billion to \$5 billion a year over the course of its time in office, despite having record revenue, and left us with an enormous debt burden that is difficult to manage. Whilst we have successfully brought government spending under control, from an average 6.7 per cent increase a year under the Liberals and Nationals in office down to 1.2 per cent under this government, and whilst we have successfully secured the greatest infrastructure package ever seen from the commonwealth government and we successfully secured the GST package out of the commonwealth government, it is still difficult to do everything the opposition might like us to do.

All the opposition ever does is come in here demanding that we spend more money and that we cut taxes. That is all it ever does. When the Liberals and Nationals were in office, as we all recall, they put up payroll tax, stamp duty and land tax. They put up land tax on small businesses three times! We have to manage that legacy. I meet with business all the time and I understand that payroll tax is a significant burden, in particular for those that are around the threshold. I note, despite record revenue when the Liberal–National government was in office, it did not do what the member is suggesting here today. All it did was have the worst financial management in the history of Australia.