NOTICE UNDER SECTION 82(1)(a) FINANCIAL MANAGEMENT ACT 2006

LEGISLATIVE COUNCIL QUESTION WITHOUT NOTICE 856 AND 885

Pursuant to section 82(1)(a) of the Financial Management Act 2006, I give notice that I have decided not to provide information to Parliament in response to Questions Without Notice 885 part (3) and 856 part (4) regarding a potential increase in the payroll tax-free threshold.

The information being sought in these questions is as follows:

885. Hon COLIN HOLT to the minister representing the Treasurer:
I refer to the answer provided to question without notice 856 on 28 November 2017.
(3) What would be the overall cost to government in lost revenue from raising the payroll taxation threshold to $1 million over the forward estimates?

856. Hon JACQUI BOYDELL to the minister representing the Treasurer:
I refer to payroll taxation in Western Australia.
(4) What would be the overall cost to government in lost revenue from raising the payroll taxation threshold to $1 million over the forward estimates?

I have decided that it is reasonable and appropriate not to provide the information being sought on the basis that the information is subject to Public Interest Immunity. The information being sought forms part of policy options being prepared for Cabinet deliberation as part of the 2018-19 Budget process.

Cabinet confidentiality is an essential part of the structure of Government and ensures that Cabinet members can freely exchange differing views as a necessary incident of the maintenance of the principle of collective responsibility. My decision not to provide the information sought is a necessary consequence of upholding the importance of the principle of Cabinet confidentiality. I have considered whether it is possible to provide a redacted copy of the information being sought from which the material subject to Cabinet confidentiality has been removed. I have determined that this is not possible in all the circumstances.

I have also considered whether material could be provided to answer subsets of the questions; however, I have deemed that this will not be appropriate nor create an environment conducive to unprejudiced Cabinet consideration in the future. An incomplete answer would provide Parliament only a partial view of the raft of issues that require to be considered by Cabinet. Providing incomplete data would place any policy discussion at an unfair disadvantage.

The reasons set out above are provided in accordance with my obligations under section 82(2) of the Financial Management Act 2006. Notice is also being provided to the Auditor General in accordance with section 82(1)(b) of the Financial Management Act 2006.
I note that I have now provided the information sought in parts 1 and 2 of Question Without Notice 885 and parts 2 and 3 of Question Without Notice 856 as part of a later Question Without Notice 935, albeit the question was asked slightly differently by the Member. This distinction was made as 935 was not linked (unlike 856 and 885) to the broader policy options being prepared for Cabinet deliberation as part of the 2018-19 Budget process. I provide these answers below:

885. Hon COLIN HOLT to the minister representing the Treasurer:
I refer to the answer provided to question without notice 856 on 28 November 2017. 
(1) How many businesses in 2017–18 are estimated to pay payroll tax that fall within the payroll threshold of $850 000 and $1 million?
   (A) There are around 1,200 businesses with Australia-wide annual payrolls between $850,000 and $1 million in Western Australia
(2) Of those identified in (1), what is the collective payroll taxation expected to be collected?
   (A) Around $4.2 million

856. Hon JACQUI BOYDELL to the minister representing the Treasurer:
I refer to payroll taxation in Western Australia. 
(2) How many businesses in 2017–18 are estimated to pay payroll tax who fall within the payroll threshold of $850 000 and $1 million?
   (A) There are around 1,200 businesses with Australia-wide annual payrolls between $850,000 and $1 million in Western Australia
(3) Of those identified in (2), what is the collective payroll taxation expected to be collected?
   (A) Around $4.2 million
856. Hon JACQUI BOYDELL to the minister representing the Treasurer:

I refer to payroll taxation in Western Australia.

(1) Did the government consider increasing the payroll tax threshold to, in part, offset the economic impact of its five-year plan to raise the taxation rate on businesses with payrolls exceeding $100 million?

(2) How many businesses in 2017–18 are estimated to pay payroll tax who fall within the payroll threshold of $850,000 and $1 million?

(3) Of those identified in (2), what is the collective payroll taxation expected to be collected?

(4) What would be the overall cost to government in lost revenue from raising the payroll taxation threshold to $1 million over the forward estimates?
885. Hon COLIN HOLT to the minister representing the Treasurer:

I refer to the answer provided to question without notice 856 on 28 November 2017.

(1) How many businesses in 2017–18 are estimated to pay payroll tax that fall within the payroll threshold of $850 000 and $1 million?

(2) Of those identified in (1), what is the collective payroll taxation expected to be collected?

(3) What would be the overall cost to government in lost revenue from raising the payroll taxation threshold to $1 million over the forward estimates?

(4) If the minister again refuses to answer the question, when does he intend to meet his obligations in accordance with section 82 of the Financial Management Act 2006?