




Speech By
Hon. Cameron Dick

MEMBER FOR WOODRIDGE

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MINISTERIAL STATEMENT

Payroll Tax Relief; Economy

 **Hon. CR DICK** (Woodridge—ALP) (Treasurer and Minister for Investment) (9.46 am): Since the arrival of COVID-19, the Palaszczuk Labor government has introduced a range of measures to support Queensland businesses and Queensland jobs. This includes more than \$1.3 billion in payroll and land tax relief. For payroll tax, that relief was in the form of refunds, holidays and deferrals. Unlike the federal government, we also ensured that JobKeeper payments were tax free. While JobKeeper payments were subject to federal income tax, the Palaszczuk Labor government ensured JobKeeper payments were not subject to payroll tax calculations.

Household consumption and retail sales data show us that overall Queensland's economy is recovering strongly. As a result of these positive economic conditions, we are now seeing businesses repay payroll tax deferrals. Well over 90 per cent of Queensland businesses have made scheduled payments, and arrangements are in place to assist businesses that are still impacted financially. Importantly, unlike the sudden withdrawal of JobKeeper, our payroll deferrals taper, with final payments not due until 2022.

Our small and medium sized businesses are fundamental to Queensland's economic recovery and to job creation and prosperity in this state. Since 2015, the Palaszczuk Labor government has lifted the payroll tax threshold, doubled the payroll tax rebate for apprentices and trainees and implemented a one percentage point discount on the payroll tax rate for regional businesses. Queensland's current payroll rate threshold of \$1.3 million is one of the most generous in Australia and makes the vast majority of our small businesses exempted from payroll tax.

Our government has been there for Queensland small businesses, reducing financial pressures so they can recover faster and continue employing. We have seen the results of our support for businesses borne out in the investment figures. As much as the opposition might want to talk down Queensland's investment performance, the national accounts bear out the facts. Private gross fixed capital formation in Queensland—the most comprehensive measure of private investment—increased by 4.9 per cent over the latest quarter, faster than the national average.

Over the past year, private investment fell by 1.7 per cent across the nation but private investment rose by 0.7 per cent in Queensland. Private investment is going up in Queensland because businesses have the confidence to hire more workers and spend capital on new structures, machinery and new equipment.

Queensland businesses backed our health response and they back our economic response. They know that our government's swift actions have ensured Queensland is well placed on our road to economic recovery.

