

Portfolio Committee 1
NSW Parliament
6 Macquarie Street
Sydney NSW 2000

19 May 2025

Dear Committee,

**RE: Application of the contractor and employment agent provisions in the
Payroll Tax Act 2007**

We write in response to the inquiry questions on notice and supplementary questions. We apologise for the delay in responding, we had to review all correspondence for the supplementary question.

Supplementary question

1. What communications (including letters, emails and meetings) have you had with NSW Government Ministers and/or Ministerial staff on payroll tax issues since 2017?

I am advised that since 2017:

- Business NSW has written in the order of five letters to various Ministers on payroll tax thresholds and issues.
- The organisation had at least eight meetings in relation to payroll tax with various Members of Parliament. This does not include informal or incidental discussions of which there would be many.
- At least seven submissions in relation to payroll tax.
- Payroll tax is a core issue in all our pre-budget submissions – of which have been ten in that time.

Questions on notice

1. Business NSW sits on the Revenue NSW Small Business Combined Associations working group. Where Payroll tax issues are raised on a quarterly basis.
2. In relation to the second question, some organisations have had to increase their salary offering significant to attract staff in a very tight skilled Labour market. There are several articles news articles that have mentioned this as well as and member case studies.

Should the secretariat you have any further questions, please do not hesitate to get in touch.

Regards,

Mustafa Agha
Head of Policy