

MEDIA RELEASE

COVID-19 crisis calls for the abolition of payroll tax

The National Electrical and Communications Association (NECA) again calls on all state governments to abolish payroll tax for all businesses to help combat the continued economic turmoil caused by COVID-19.

NECA CEO Suresh Manickam has written to each State and Territory Treasurer on behalf of NECA members again highlighting the that if the intent of Government is to rebuild and boost the economy in the backdrop of COVID-19, then payroll tax will only serve to impede growth and must be removed.

Suresh Manickam, CEO of NECA, said:

“The current COVID-19 crisis is having an unprecedented and detrimental effect upon the economy and employment; an event which is out of the control of Government.

“NECA and our members are keen to ensure that we work proactively with Government to restore the economic and employment levels. In doing so employment barriers such as payroll tax must be removed – a mechanism which is within the control of Government.

“NECA, as well as other industries, are firmly of the view that any form of payroll tax is both counter-intuitive and counter-productive. Moreover, if the intent of Government to rebuild and boost the economy in the backdrop of COVID-19, then payroll tax will only serve to impede growth.

“NECA welcomes the recent announcements made by individual State and Territory Treasurers regarding payroll tax relief measures in light of COVID-19. However, Treasurers will also be aware of the strong economic and policy fundamentals that support the abolition of payroll tax, as outlined by Ken Henry in his report *Australia’s future tax system 2009*.

“Governments are expecting business to ‘awake from hibernation’. Awakening from hibernation will be challenging in itself and will necessarily require long term vision and decisive action by Government. The abolition of payroll tax would be a very decisive action by Government, which would ensure the creation of jobs, stimulate our States economies and support communities in their recovery.

A full copy of each letter can be downloaded here:

[The Hon. Andrew Bar, MLA](#)
Treasurer of the Australian Capital Territory

[The Hon. Jackie Trad, MP](#)
Treasurer of Queensland

[The Hon. Dominic Perrottet, MP](#)
Treasurer of New South Wales

[The Hon. Rob Lucas, MP](#)
Treasurer of South Australia

The Hon. Peter Gutwein, MP
Treasurer of Tasmania

The Hon. Mr Tim Pallas, MP
Treasurer of Victoria

The Hon. Ben Wyatt, MP
Treasurer of Western Australia

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