25 October 2026

## Payroll tax reform a welcome boost for WA's small explorers

The Association of Mining and Exploration Companies (AMEC) welcomes a commitment by the WA Liberal Party today, to increase Western Australia's payroll tax exemption threshold from $1 million to $1.5 million, providing potential tax relief for small businesses, including the State's mineral exploration companies.

The proposed 50 per cent increase would represent the first change to WA's payroll tax exemption threshold in more than six years, following its last increase from $950,000 to $1 million in July 2020.

AMEC Chief Executive Officer, Mr Warren Pearce said, "This announcement is an encouraging step towards creating a more competitive tax environment for Western Australian businesses.

"The next WA State Election is barely visible on the horizon, but it is encouraging to see Opposition Leader Basil Zempilas putting meaningful tax reform on the agenda.

"Unlike the relatively modest adjustment in 2020, this proposal represents a substantial 50 per cent increase in the payroll tax exemption threshold."

WA currently shares the lowest payroll tax exemption threshold in Australia with Victoria, with most other jurisdictions providing greater relief for smaller employers.

The existing threshold has also failed to keep pace with wage growth since 2020.

"For small mineral exploration companies, this is particularly important. These businesses are often operating with tight budgets, employing highly skilled workers and investing significant capital into discovering the mineral deposits that will underpin future mines and jobs.

"Reducing their tax burden means more money can be directed towards exploration programs, employing geologists and technical specialists, and supporting regional businesses," Mr Pearce added.

Western Australian wages have increased by approximately 21 per cent since the threshold was last adjusted. Had it simply kept pace with wage growth, the threshold would already be around $1.21 million.

Raising it to $1.5 million would not only address that gap but provide genuine breathing room for small businesses looking to expand their operations.

This proposal is particularly welcome at a time when businesses are facing uncertainty around proposed Federal tax changes.

Mr Pearce said, "With ongoing concerns around proposed changes to capital gains tax concessions, R&D tax arrangements and trusts, it is refreshing to see a tax proposal focused on reducing costs and encouraging investment.

"Payroll tax should not become a barrier to small exploration companies employing additional staff or taking the next step towards a mineral discovery.

"This is the kind of practical tax reform that can support business confidence and create jobs."

AMEC welcomes the commitment and encourages continued consideration of reforms that enhance Western Australia's investment attractiveness.

**ENDS**

**For interviews with Warren Pearce please contact Ryan Rampling:**
**Ryan Rampling,** Nation Manager – Media & Communications – 0419 809 341 | ryan.rampling@amec.org.au