

Media Release

The Hon Ros Spence MP
Minister for Agriculture
Minister for Community Sport
Minister for Carers and Volunteers



Wednesday, 6 November 2024

LANDMARK TAX RULING - A WIN FOR NATIVE TIMBER WORKERS

Native timber workers will get more money in their pockets when they receive support from the Allan Labor Government, following a landmark class ruling by the Australian Taxation Office (ATO).

Minister for Agriculture Ros Spence welcomed the ATO's decision which sets a national precedent in tax treatment for workers receiving redundancy payments.

The ruling means the Labor Government's Top-Up Payment provided as part of the Victorian Forestry Worker Support Program can be classed as a genuine redundancy – meaning they now benefit from tax-free and concessional rates.

The Government's Top-Up Payments have helped 187 workers following the end of native timber harvesting in Victoria.

The ruling also extends tax-free and concessional treatment to casual, piece rate, and seasonal employees who have received Government redundancy payments.

This ensures that all years of service in the native timber industry contribute to an employee's genuine redundancy payment - recognising the unique employment types in the forestry industry.

The ruling is available on the Australian Tax Office website and provides further details as to how tax will be applied to other Victorian Forestry Worker Support Program payments including Relocation Reimbursement Payments and Hardship Payments.

Employees can take the ruling to their accountant where it can be applied for the current or previous financial years.

This Labor Government continues to support forestry workers through the transition away from native timber harvesting with a \$1.5 billion investment including worker support services and investments to support the transition to plantation timber.

Over 1,400 workers and family members registered for the Worker Support Program which has provided over 3,192 training and education activities approved for workers and family members.

The Victorian Forestry Worker Support Program offer support to eligible native timber employees, supply chain employees, and their families as they navigate the end of native timber harvesting in state forests.

For more information visit, vic.gov.au/forestry or call ForestWorks on 1800 177 001.

Quotes attributable to Minister for Agriculture Ros Spence

"We advocated for this landmark decision, which is making sure our native timber workers can access the full amount of the Government's Top-Up Payments and get the financial support they need."

"We continue to support native timber workers throughout the forestry transition and help communities plan for the future."

Media contact: Liam Miles 0492 504 682 | liam.miles@minstaff.vic.gov.au