

Appendix A:

Submissions and comments

We have consulted with the Department of Energy, Environment and Climate Action, ForestWorks and the Valuer-General Victoria. We considered their views when reaching our audit conclusions. As required by the *Audit Act 1994*, we gave a draft copy of this report, or relevant extracts, to those agencies and asked for their submissions and comments.

Responsibility for the accuracy, fairness and balance of those comments rests solely with the relevant agency head.

Responses received

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Department of Energy, Environment and Climate Action	A-2
ForestWorks	A-4
Valuer-General Victoria (Department of Transport and Planning)	A-6



Department of Energy, Environment
and Climate Action

PO Box 500, East Melbourne,
Victoria 8002 Australia

SEC-260200234

Andrew Greaves
Auditor-General
Level 31 35 Collins Street
MELBOURNE VIC 3000

Dear Auditor-General

Proposed report – Supporting the transition out of native forest timber harvesting

Thank you for the opportunity to comment on the Victorian Auditor-General's Office's (VAGO) proposed report for *Supporting the Transition from Native Timber Harvesting*, received on 12 February 2026.

The Department of Energy, Environment and Climate Action (DEECA) welcomes VAGO's finding that the Forestry Transition Program has supported workers, businesses and communities as they transition from native timber harvesting.

The DEECA Forestry Transition Program has delivered substantial assistance, enabling many workers to secure alternative employment and supporting a significant number of native timber businesses to continue operating. The program's initiatives have contributed to both job retention and the creation of new job and business opportunities within transitioning communities.

The Worker Support Program seeks to support workers into new employment. A range of worker employment types are an expected feature of a program that is designed to offer flexibility and support individual choice during a period of significant change. The current mix of employment reflects both worker preferences and evolving market conditions.

DEECA is satisfied that payments have been made to eligible participants in line with program guidelines. DEECA recognises opportunities to strengthen processes, documentation, and outcome monitoring and will use the insights from VAGO's report as it continues to support workers, businesses and communities in transition.

DEECA accepts the 4 recommendations made in the report and commits to the actions outlined in the enclosed action plan.

I thank your staff for their work and look forward to a continued productive relationship with your office.

Yours sincerely

Kate Houghton PSM
Secretary

25/02/2026

Encl.



Official

Department of Energy, Environment and Climate Action

Action plan to address VAGO recommendations from Supporting the Transition from Native Timber Harvesting

No.	VAGO recommendation	Acceptance	Agreed management actions	Target completion date
1	<p>Improve how it measures and verifies the outcomes of the Forestry Transition Program's worker and business grants and support packages. This includes:</p> <ul style="list-style-type: none"> integrating existing data sources into its monitoring dashboard to track verified employment and business results improving timeliness, accuracy and clarity of information provided to delivery partners, so worker support is delivered consistently and to the intended recipients. 	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> In part <input type="checkbox"/> In principle	<p>DEECA will strengthen grant monitoring in the Forestry Transition Program's worker and business grants and support packages by integrating data, information and reporting to better inform employment and business outcomes.</p>	31 August 2027
2	<p>Strengthen the consistency and assurance of future grant administration by making sure program rules, eligibility assessments and quality checks are applied uniformly across all grants. This should include:</p> <ul style="list-style-type: none"> standardising assessment documentation strengthening oversight of delegated payment arrangements clarifying accountability for quality assurance and record keeping embedding proportionate, risk-based reviews at key decision points. 	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> In part <input type="checkbox"/> In principle	<p>DEECA will strengthen its Forestry Transition Program grant administration and management processes by standardising agreements and ensuring consistent assessment, oversight and monitoring practices.</p>	31 May 2027
3	<p>Expand and extend performance monitoring beyond the scheduled end of the Forestry Transition Program to assess long-term outcomes for workers, businesses and communities.</p>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> In part <input type="checkbox"/> In principle	<p>DEECA will explore ways to capture longer-term outcomes by extending monitoring and verification processes across the Forestry Transition Program's worker and business grant and support packages.</p>	30 November 2027
4	<p>Apply lessons from the Forestry Transition Program to improve how future transition supports are integrated with new and existing regional economic and workforce initiatives within the department's remit.</p>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> In part <input type="checkbox"/> In principle	<p>DEECA will develop a toolkit to support future regional economic and workforce initiatives within DEECA and the Agriculture portfolio.</p>	30 April 2027



26 February 2026

Auditor General – Mr Andrew Greaves
Victorian Auditor-General's Office
Level 31, 35 Collins Street
Melbourne Vic. 3000

Dear Mr Greaves,

ForestWorks' Response to the Independent Assurance Report to Parliament - *Supporting the Transition from Native Timber Harvesting* (the Report)

Thank you for the opportunity to review and comment on the Report in accordance with the Audit Act 1994.

We acknowledge the professional and cooperative approach adopted by your office throughout the audit process. ForestWorks has appreciated the opportunity to engage constructively with the audit team, to provide information as requested and to clarify matters as they arose. The process has been thorough and conducted with courtesy and transparency.

ForestWorks has reviewed the Report and subject to the matter outlined below, we are comfortable with the content, tone and findings of the Report as they relate to ForestWorks.

April 2024 Service Framework and Eligibility Criteria

The remaining matter we wish to clarify concerns references to the April 2024 Service Framework and Eligibility Criteria (SFEC) v1.2, which ForestWorks notes was not finalised and agreed to by the parties until September 2025, becoming v1.3, specifically in relation to:

- the \$500 travel and accommodation payment cap for training purposes; and
- the \$8,000 funded training support cap under the Worker Support Program (WSP) per eligible worker.

ForestWorks provides the following context to clarify its perspective:

- a. The April 2024 SFEC v1.2 was first provided to ForestWorks in September 2024. ForestWorks immediately raised concerns regarding the imposition of a \$500 cap on travel and accommodation for training purposes. In particular, ForestWorks identified the practical barrier this cap would pose for workers where appropriate regional training options were not available. The SFEC v1.3 does not include a \$500 cap on travel and accommodation for training purposes.

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- b. In relation to the \$8,000 funding cap per eligible worker under the WSP, ForestWorks from the commencement of this Program has implemented an internal process to manage the administration of the cap to ensure due consideration for individual circumstances. The SFEC v1.3 included this process to allow eligible worker's individual circumstances to be considered.

ForestWorks administered the program consistently and transparently including weekly reporting of approved training and support payments.

ForestWorks considers it important that the final report accurately reflects:

- that ForestWorks raised its concerns regarding the SFEC v1.2 \$500 cap on travel and accommodation for training at the earliest opportunity;
- that the SFEC v1.3 does not include a \$500 cap on travel and accommodation for training purposes; and
- that the SFEC v1.3 reflects the transparent process for managing requests exceeding the \$8,000 training funding cap that ForestWorks had implemented from the beginning of the Program.

Subject to this clarification, ForestWorks supports the accuracy and finalisation of the report.

We thank you again for the opportunity to contribute to the process and for the constructive engagement throughout the audit.

Yours sincerely

A handwritten signature in black ink, appearing to read "Mike Radda".

Mike Radda
CEO
ForestWorks

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Department of Transport and Planning

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Ref: BSEC-1-26-607

Mr Andrew Greaves
Auditor-General of Victoria
Victorian Auditor-General's Office
Level 31, 35 Collins Street
MELBOURNE VIC 3000

Dear Mr Greaves

Victorian Auditor-General's Office - Supporting the transition from native timber harvesting - Proposed report

Thank you for your letter of 12 February 2026 inviting the Department of Transport and Planning (the Department) to respond to the *Supporting the transition from native timber harvesting* proposed report (the Report).

On behalf of the Department, I welcome the Report's positive observations on the work of the Valuer-General Victoria (VGV) in successfully completing 44 independent valuations at the request of the Department of Energy, Environment and Climate Action (DEECA).

VGV is the Victorian Government's independent authority for valuations under the *Valuation of Land Act 1960* and other relevant legislation. In this capacity, VGV oversees, maintains and certifies statutory valuations used for rating, taxation, and government land transactions including compensation matters. VGV ensures that valuations are conducted in accordance with statutory requirements, established quality management procedures, and applicable professional standards, thereby delivering fair, consistent, and independent valuation services across all property types.

I note the Report's separate comments acknowledging that valuations may be undertaken using different methodologies and that the observation in the Report about the absence of an on-site inspection does not suggest that the valuations are incorrect or that the VGV failed to exercise due diligence. Rather, it highlights that DEECA should have amended the Program guidelines to better reflect the circumstances in which valuations are able to be conducted in.

The Department notes that the Report's findings and conclusions are focused on DEECA, and acknowledges the recommendations raised for DEECA to action. VGV is committed to working with Victorian Government agencies to ensure future valuation requirements are appropriately developed and implemented, in line with professional standards and legislative requirements.



Thank you for the opportunity to comment on the Report.

Yours sincerely



Jeroen Weimar
Secretary

Date: 24 February 2026

