



LEGISLATIVE COUNCIL

PORTFOLIO COMMITTEE NO. 1 – PREMIER AND FINANCE

MEDIA RELEASE

INQUIRY INTO THE APPLICATION OF THE CONTRACTOR AND EMPLOYMENT AGENT PROVISIONS IN THE *PAYROLL TAX ACT 2007*

FOR IMMEDIATE RELEASE
16 December 2024

The NSW Upper House is set to examine the application of the contractor and employment agent provisions in the *Payroll Tax Act 2007*, with a Parliamentary inquiry announced by Portfolio Committee No. 1 – Premier and Finance.

The Act's contractor provisions relate to the engagement of workers outside traditional employment arrangements, where workers are engaged as contractors rather than employees. The employment agent provisions relate to arrangements in which a third-party employment agent obtains a worker to provide services to a client for a fee, where the worker remains an employee of the agent.

Committee chair, the Hon Jeremy Buckingham MLC, said: 'With significant changes in the economy, including the proliferation of on-demand and gig economy arrangements between organisations and their workers, this timely review will examine the application of the Act's contractor and employment agent provisions. This is an opportunity for a forensic look at the scope and intent of these provisions, including their interpretation and application by the Chief Commissioner of State Revenue and the courts.'

'If there is complexity or ambiguity in applying these provisions, this inquiry seeks to shed light on the reasons why. Where there are differing views between government administrators of the Act and the courts about their applicability, we have a duty to unpack why this is occurring and what remedies might be available. Whether there's something inherent in the construction of these provisions, or that widespread use of the types of contractor-style arrangements we are seeing in certain sectors of the economy were never contemplated when the provisions were written and enacted – this inquiry is about ventilating and testing the issues with the benefit of expert evidence from those closest to the legislation', Mr Buckingham added.

Submissions can be made through the inquiry webpage and are open until 7 February 2025. The committee will call for witnesses in the New Year. For further information about the inquiry, including the terms of reference, please visit the committee's [website](#).

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For further information please contact Committee Chair, the Hon Jeremy Buckingham MLC, on (02) 9230 2651.