

19 June 2017

Committee Secretary Finance and Administration Committee Parliament House **BRISBANE QLD 4000**

By email: FAC@parliament.qld.gov.au

Dear Committee Secretary

LABOUR HIRE LICENSING BILL 2017

Thank you for the opportunity to provide a submission on the Labour Hire Licensing Bill 2017, which was introduced into the Queensland Parliament on 25 May 2017 and referred to the Finance and Administration Committee for examination.

The Committee inquired into the practice of labour hire in Queensland, and released a report on 30 June 2016. In December 2016, the Queensland Government Office of Industrial Relations published an Issues Paper titled 'Regulation of the Labour Hire Industry 2016' seeking feedback on a labour hire scheme and other measures relating to the exploitation and mistreatment of workers in labour hire.

The Anti-Discrimination Commission (the Commission) provided submissions to the Committee's inquiry and to the Issues Paper. The Commission's submissions were informed by its community engagement work, particularly in the Lockyer Valley region. That community had concerns about poor working and living conditions for seasonal farmworkers, as well as the sexual harassment and discrimination of the workers. Very often the concerns were associated with unscrupulous labour hire contractors employing working holiday visa holders (417 visas), other temporary visa holders, refugees, and people who have overstayed their visas.

In both of its submissions the Commission recommended the establishment of a system for the regulation of labour hire contractors based on the United Kingdom model in the Gangmasters (Licensing) Act 2004.

The Labour Hire Licensing Bill 2017 would establish a Government administered licensing scheme to regulate labour hire service providers. Other options, including the UK Gangmasters Licensing Authority model, were considered, and the Government administered scheme was chosen as the preferred model.

The Commission considers the essential elements for a licensing scheme include:

- mandatory licensing of labour hire providers
- a fit and proper person test for license holders
- requiring those engaging labour hire providers to only engage a licensed provider
- regular reporting by license holders
- strong penalties for breaches of obligations and license conditions
- a public register of licensed providers.

All these elements are included in the proposed scheme under the Bill.

Clause 15 provides that the criteria for grant of a license are:

- the applicant and relevant officers are fit an proper persons to provide labour hire services; and
- the business is financially viable.

Matters to be considered in deciding whether a person is a fit and proper person are set out in clause 27. Included is a broad discretion to have regard to any other matter the chief executive considers relevant.

The circumstances where a license can be suspended or cancelled are set out in clauses 22 and 24 respectively.

The obligation to report is provided for in clause 31, and sets out the information to be included in the report. Paragraphs (2) (h) and (i) require information about accommodation provided to workers by the licensee or by another person.

The Commission suggests the information about accommodation should be expanded to include the amount of the fee paid for the accommodation, and a description of the accommodation, including the number of people housed in the accommodation. This information would assist in achieving the main purposes of the scheme as provided for in clause 3, namely:

- to protect workers from exploitation by providers of labour hire services;
 and
- to promote the integrity of the labour hire industry.

In the Commission's experience, accommodation has been a critical component to the exploitation of workers, including by overcrowding, overcharging, poor conditions, and sexual assault and harassment.

To this end, the Commission also suggests that where accommodation or other services such as transport are supplied by the licensee, that the standard of the accommodation and/or services forms part of the criteria for granting a license, as well as the circumstances for suspension or cancellation of a license.

It is also important that the compliance unit has sufficient resources to promote awareness of the scheme, awareness of workers' rights, and to ensure compliance.

The Commission commends the introduction of the Bill, and recommends that the passing of the Bill with the amendments suggested above.

Yours sincerely

KEVIN COCKS AM
Anti-Discrimination Commissioner