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20 June 2017

Committee Secretary
Finance and Administration Committee
Parliament House
George Street
Brisbane Qld 4000

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

Dear Secretariat,

Re: Submission regarding the Labour Hire Licensing Bill 2017

I am writing to express our disappointment and objection to the Labour Hire Licensing Bill 2017, tabled in Parliament on the 25th of May by the Minister for Employment and Industrial Relations, Hon Grace Grace MP.

This is bad law that will be bad news for jobs in Queensland and, bad for Queensland employers. As a restrictive licensing scheme it over regulates an entire sector and throws up numerous unintended consequences that will further dent the confidence of employers and businesses in Queensland.

At the outset let me state that we strongly support initiatives to protect workers from exploitation – not only by the providers of labour hire services, but by all who seek to profit from worker exploitation. This Bill as it stands will however fail to protect workers from exploitation.

The following are reasons why we believe this Bill should be withdrawn and reconsidered following genuine consultation with industry and employers.

1. This Bill does nothing to stamp out the poor practices of dodgy Labour Hire firms. It will not for example cover contracting and, as a result will fail in its objectives. So, if a dodgy exploitative relationship already exists between a worker and the user of employment services – that dodgy deal will likely remain.
2. The Government should focus licensing on high risk industries that present the greatest threat to workers and those in which disreputable labour contractors are most prominent.
 - a. Not all labour hire firms are created equal. This Bill will capture labour hire firms that already comply with the law and, fail to capture dodgy operators that fly below the radar and have no intention of applying for a license.



3. There is a complete misalignment with the objects of the Bill, given there is no evidence of exploitation in industries other than horticulture which was the only sector consistently identified in the Finance and Administration Committee's Inquiry Report. Selective licensing of high risk industries was also the recommendation of Professor Anthony Forsyth from his Inquiry into the Labour Hire Industry in Victoria.
4. This Bill is anti-business and will further erode the already shrinking confidence of employers to do business in Queensland.
 - a. The recent Queensland Budget indicated the Government expects zero employment growth in the coming year, and laws such as this will further kill off employment opportunities in Queensland.
5. This licensing scheme is politically motivated, with conditions such as bonds and compulsory insurance left to the discretion of the Chief Executive. This will invite appeals that QCAT is not equipped to handle, third party intervention from 'interested parties', and add to the administrative burden already required of Queensland companies.
6. In addition, reporting obligations are both overly onerous and fail a 'pub test' as to the level of information workers or users of labour hire services would reasonably expect is available about the labour hire firm they are working with.
7. The definition of Labour Hire is extremely broad and will capture a large number of unintended organisations and work arrangements that ignore occupational licensing arrangements in every sector of the economy and in every corner of Queensland. Some examples of organisations that will require a licence will include:
 - *A corporate health service that "supplies" a nurse to deliver 'flu vaccinations;*
 - *A religious body that "supplies" a chaplain or pastoral care worker under the Australian School Chaplaincy Programme;*
 - *A first aid attendant "supplied" by one school to another schools sporting event;*
 - *A community organisation that "supplies" a cultural advisor to government or to a business;*
 - *Or, a secondary or tertiary educational facility that "supplies" students on work experience or practical placements.*

The Recruitment & Consulting Services Association, the peak industry body of which I am a member, has created an audit based certification program for workforce services providers to support the integrity, compliance and professionalism of the industry and, very importantly, provide end-users with a very easy choice between good practice and malpractice.

Key features of the Certification program include:

- An independent audit firm (SGS) manages a biennial audit. High risk companies, either identified through the audit process or by the RCSA, will be required to have annual audits until they are confirmed as meeting the certification standard.
- RCSA's Certification covers six key areas:



- Fit & Proper Person
- Work Status and Remuneration
- Financial Assurance
- Safe Work
- Migration
- Decent Accommodation
- Certified companies will be listed on an online register of *Certified Workforce Services*, and any Workforce Services Provider lawfully carrying on business can apply to be Certified.

We are aware the Bill includes provisions for Mutual Recognition of accreditation schemes. We strongly encourage the Committee to recognise the RCSA Certification program as meeting all requirements of the proposed licensing scheme.

We also strongly encourage the Committee to recommend the Bill is revised to focus on high risk sectors that present the greatest risk to workers and employers.

We also strongly recommend the Committee reconsider the requirements for reporting to include information that workers or users of labour hire services would reasonably expect is available in determining if the provider they are dealing with is reputable and compliant:

1. Licensee's full name and contact details
2. Status of the license and licensee's (ie: suspended, pending actions)
3. The business name, ABN and address of the business that is the subject of the license
4. Is the licensee a Certified Workforce Services Provider, and details of other standards and quality certification held by the licensee.

We make these recommendations based on our experience in the industry and, our commitment to maintaining the quality of workforce services in Queensland.

We would welcome the opportunity to further discuss these recommendations with you.

Kind regards

Natasha Olsson-Seeto
Chief Executive
OnTalent