



Queensland Government
Strong and Sustainable Resource Communities
Bill 2016

**Submission of
Recruitment & Consulting Services Association (RCSA)
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RECRUITMENT & CONSULTING
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Introduction to RCSA

The Recruitment & Consulting Services Association Australia & New Zealand (RCSA) is the peak body for the employment industry in Australia and New Zealand which includes recruitment, labour-hire/on-hire worker and HR services. It represents over 3,000 company and individual members with over 60% of Australia's labour-hire/on-hire workers being employed by RCSA members.

RCSA members assign (on-hire) and place employees and independent contractors with businesses, governments and not-for-profit organisations operating within every industry in Australia and provide workforce consulting services to improve the productive capacity of Australia business in an ever-changing global economy.

Members of RCSA provide advice, information, support and guidance in relation to recruitment, employment and workforce management matters to business and government from small and medium sized business through to multinationals and the Federal Government.

The RCSA membership is focused on promoting positive outcomes for business, workers and governments across Australia. The RCSA sets the benchmark for recruitment and on-hire industry standards through representation, education, research, and business advisory support.

All RCSA member organisations and Accredited Professionals agree to abide by the RCSA Code for Professional Conduct.

The RCSA believes that a progressive and pragmatic approach to the provision of on-hire worker service in Australia is, and will continue to be, a key element in the achievement of balanced Australian workplaces where vulnerable workers are protected and the workforce and business are free to prosper to provide productivity, wealth and security to Australia's workforce and the wider community.



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RCSA Code for Professional Conduct

RCSA has a Code for Professional Conduct (the Code) which is authorised by the Australian Consumer and Competition Commission (ACCC). In conjunction with the RCSA Constitution and By Laws, the Code sets the standards for relationships between members, best practice with clients and candidates, and general good order with respect to business management, including compliance. Acceptance of, and adherence to the Code, is a pre-requisite of membership.

The Code is supported by a comprehensive resource and education program and the process is overseen by the Professional Practice Council, appointed by the RCSA Board. The Ethics Registrar manages the complaint process and procedures with the support of a volunteer ethics panel mentored by RCSA's Professional Practice barrister.

RCSA's objective is to promote the utilisation of the Code to achieve self-regulation of the on-hire worker services sector, wherever possible and effective, rather than see the introduction of additional legislative regulation.

Employment Services – Definitions and Terminology

The following definitions and service categories were developed by RCSA to promote a better informed marketplace and a more sophisticated understanding of the role and contribution of the employment services sector in a modern economy.

RCSA CORPORATE MEMBERSHIP CATEGORIES OF SERVICE



1

ON-HIRED EMPLOYEE SERVICES

A commercial service where an organisation, in return for an hourly fee, assigns one or more of its employees to perform work for a third party (client) under their general management and instruction.

2

CONTRACTING SERVICES

A commercial service where an organisation, in return for a fee, completes a defined scope of work for a third party (client). Such services may be performed utilising employees or sub-contractors employed or engaged by the service provider.

3

CONTRACTOR MANAGEMENT SERVICES

A commercial service where an organisation, in return for a fee, recruits independent contractors on behalf of a third party (client) and, following direct engagement of the independent contractors by the client, the organisation manages the ongoing supply of the independent contractors and their contract performance.

4

JOB PLACEMENT

A commercial service where an organisation, in return for a fee, recruits on behalf of a third party (client) candidates that match a desired profile for employment or engagement by the client.

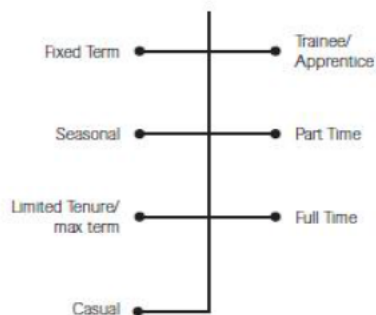
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WORKFORCE CONSULTING SERVICES

A commercial service where an organisation, in return for a fee, identifies and/or responds to client workforce issues and implements strategies designed to assist clients to achieve business success.



EMPLOYMENT CATEGORIES



MANAGED PROJECT/ CONTRACT SERVICES



SUB-CONTRACT



INDEPENDENT CONTRACT RECRUITMENT

CONTRACT MANAGEMENT



CANDIDATE PLACEMENT

JOB PLACEMENT SERVICES



OCCUPATIONAL HEALTH & SAFETY

EEO

EMPLOYEE RELATIONS

HR MANAGEMENT

CHANGE MANAGEMENT

OUTPLACEMENT

CAREER MANAGEMENT

RCSA Submission

RCSA appreciates the opportunity to make a submission on the proposed Strong and Sustainable Communities Bill 2016. As key labour market intermediaries, our members are particularly impacted by the maintenance of a functioning and efficient labour market, and the ability of employers to engage skilled labour as and when required in order to manage the performance and outcomes their projects. Our members are professional employers who maintain a vested interest in compliance, flexibility and currency of suitable regulation.

Background: Investment is the key driver of growth in the demand for skills and labour. The Major Project workforce employed in Queensland's mining and heavy industry space reached 14,000 persons in 2012/2013 (*QMCA 2016 Major Projects Report*). However it is predicted that Major Project activity will be lower in 2015/16 and 2016/17. So while mining and heavy industries remains the largest slice of major projects work in Queensland through to 2020, an uncertain project pipeline reflects the generally suppressed state of investment in Queensland.

The down turn in construction projects and major projects has seen a reduction in employment of up to 50% from its peak in 2013. This has also seen a migration of skilled labour to other states, such as New South Wales and Victoria, as these states have ramped up their infrastructure investment.

The result, has been two-fold:

1. The availability of skilled and highly skilled labour in Queensland is decreasing which places further stress on the ability of resource projects to attract a sustainable and reliable supply of labour in the vicinity of large scale resources projects.
2. The cycle for education, training and gaining sufficient and relevant industry experience requires a long term approach. This includes providing sufficient and attractive career pathways, beyond unsustainable and inflated salaries, in order to attract sufficient workers to the sector.

Upon examining the Bill, this submission responds to several provisions identified in Part 2 of the Bill, being:

1. 6. (2) The owner must not employ a workforce for the operational phase of the project that comprise 100% of workers who are fly-in fly-out workers.

An important characteristic for the successful management of projects in the resource sector is the ability of project owners to access skilled and highly-skilled labour as and, when it is required during the course of a project.

The Fly-in Fly-out workforce is a vital component of the overall workforce for the resources sector. Our members are suppliers of skilled and highly-skilled labour and, so we believe Provision 6 (2) should allow employers the flexibility to engage up to 100% fly-in fly-out labour if and, when required during a project.

This is based on factors such as operational requirements and the safety of workers rather than ideological positions.

Education and Training: Skilled and sustainable labour to meet the requirements of resource projects is generally not available in the vicinity of large resource projects.

RCSA members and project owners compete for skilled workers in a national and global market for their skills and expertise and are well aware of the challenges of sourcing capable and sufficient numbers of skilled workers in regional areas of Queensland. Project owners require flexibility in their ability to source skilled workers, particularly as the timeframe required to train workers is frequently outside the immediate period of demand to meet the specific needs of each project.

There are several contributing factors:

1. RCSA does not believe sufficient opportunities exist in the regional areas of Queensland for training and the development of new skills or to reskill workers to meet the needs of the mining and resources sector. An example is a reskilling program, offered only at TAFE Queensland North in Cairns, to equip workers to maintain hydraulic systems. Assuming the worker has a recognised trade qualification as a Fitter or Diesel Mechanic, the program requires a further 10 weeks in order to achieve the sufficient qualification.
2. It is RCSA's view that the Queensland Government would need to significantly increase its investment in education and skills training in these regions in order to provide an increased, however still insufficient, number of workers for projects identified the Government as List of Prescribed Projects.

Related Workforces: Provision 6. (2) also fails to consider the related workforces of the contractors and suppliers that are contracted by the project owner to undertake specific tasks, such as maintenance, accommodation services, manage catering or to execute shut downs and maintenance activities.

The RCSA recommends the term workforce should be focused only to workers directly employed by the project owner.

Safety and Welfare: RCSA believes the safety and welfare of workers will be comprised. There are numerous examples of loss of life due to fatigue of workers required to travel to and from projects, resulting in accidents.

‘The safety aspect is a genuine concern. You will recall incidents where driver injury/deaths have occurred driving to and from remote mining sites due to fatigue and quality of access roads. The standard of the roads out there (often dirt tracks) present clear dangers particularly at night and if in the “wrong” vehicle coupled with the nature of shift work and fatigue.

‘It may increase the costs to mining companies and local councils to spend money on upgrading tracks and roads and will undoubtedly lead to a greater health & safety risk even if the company puts on buses to ferry people back and forth.’

National Recruitment firm, and RCSA member.

2. 7. Prohibition on 100% fly-in fly-out workers for large resource projects taken to be an enforceable condition.

The imposition of an enforceable condition against the hiring of 100% fly-in fly-out workforce does not reflect the realities of the modern market for labour and the practices required of the industry for diverse and non-discriminatory hiring practices.

The ability of a project owner to source and hire workers based on their skills, experience and expertise should remain the fundamental right of the employer/project owner. RCSA’s fear is that the imposition of such an enforceable condition will be used as a lever to, over time, give further preference to local workers, and to discriminate against fly-in fly-out workers to the detriment of project owners and the RCSA members that source and supply labour for their projects.

Given the vulnerability of investment in regional Queensland, we believe maintaining a positive and unencumbered environment for the development of resources projects is an important consideration for investors, and to also achieve the stated objective of greater opportunities for regional communities in Queensland.

We recommend avoiding the potential for an unworkable situation in which project owners are unable to engage the workforce required as various stages of a project due this provision.

Conclusion

RCSA supports the principle of creating greater opportunities for communities in regional Australia. However, as labour market intermediaries we do not support restrictive regulation that would inhibit the ability of project owners to source the required skills and expertise for projects.

For further information please contact Simon Schweigert, Manager Media and Government Relations