




Speech By
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MEMBER FOR CONDAMINE

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**FINANCE AND ADMINISTRATION COMMITTEE: REPORT, MOTION TO TAKE
NOTE**

 **Mr WEIR** (Condamine—LNP) (12.23 pm): I rise to speak to this report as a member of the Finance and Administration Committee. I thank the other members of the committee who were part of this inquiry into the labour hire industry. This became a hot topic when *Four Corners* ran a program on labour hire processes in Victoria. We know that Victoria and South Australia are also running inquiries into the labour hire industry.

As we looked into this, it became very apparent that practices ranged from very poor to very good. We were of the opinion that it was only the single percentages of labour hire firms which indulged in these bad practices such as phoenixing and underpayments. The vast majority of labour hire firms were operating legally and respectfully. It is the ones that are operating illegally and unscrupulously which grab all the attention. That they need to be regulated was agreed by both sides of the committee. As the chairman just mentioned, an issue that often arose was the under-resourcing of the Ombudsman. Complaints were not followed up. We agreed that that is definitely an area that needed to be improved.

One of the main areas where we found problems was the fruit and vegetable industry. The reason for that is that it is a very transient workforce. They come into an area in large numbers, work for a short period and then move on. They are probably the group that is most open to exploitation. Many of them come from overseas and they can be at the other end of Queensland in a very short time.

The proposal as part of this inquiry was for a licensing regime to regulate the labour hire industry. We on this side of the House were not convinced in any shape or form that that would answer all the problems. The problems are wide ranging and they cover all areas of government. The Fair Work Act is a federal piece of legislation so we believe the federal government needs to take action to address the labour hire industry.

Accommodation was another issue. That falls under the Local Government Act. Workplace health and safety was an issue, and, as I said, the Ombudsman is severely under-resourced and unable to address all of those issues. The committee travelled widely. We held forums in Brisbane, Gatton, Emerald, Mackay, Cairns and Moranbah and we did a videoconference with Bundaberg.

We heard a lot of evidence about labour hire from the mining industry. There is no doubt that some of the actions of some of the unions over the years has grown labour hire. We spoke to some employers who said that it is quite easy to employ a worker but very hard to dismiss them if they are not up to scratch. Labour hire was one of the ways that they could address that problem.

We also had many companies that use labour hire on a short-term basis to employ workers for the very reason that I just mentioned. They would run them through a six-month trial period. If they performed well, they would be put on a permanent contract and become part of the permanent workforce. There are many different forms of labour hire. It is a very complicated area and we were of

the opinion that the state government needs to take it to COAG for it to be addressed. It is not something that can be fixed simply by a licensing system. To get an ABN comes under a federal act. We have examples of labour hire companies that are operating from not only interstate but also overseas. We have employees coming in from overseas. It will not be easily fixed by a licensing system. The Chamber of Commerce and Industry, the AI Group and the Resources Council all said that it would be expensive and not achieve the desired outcome. We would like this to go to COAG.