




Speech By
Andrew Powell

MEMBER FOR GLASS HOUSE

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LABOUR HIRE LICENSING BILL

 **Mr POWELL** (Glass House—LNP) (12.39 pm): I rise to address the Labour Hire Licensing Bill 2017. It is rather timely that we are debating this today, because last week I had an opportunity to catch up with some of the more successful strawberry growers in the electorate of Glass House—John Allen from Oaklands Farms, Charmaine Davey from Berry Patch Marketing and the Schiffke clan, being father Merv and daughters Laura, Tracey and Sam. We met at John Allen's property in Beerwah following the receipt of a letter by my office from John regarding what he sees as a very serious issue for the horticultural industry.

Mr BAILEY: I rise to a point of order, Madam Deputy Speaker. I believe the member for Whitsunday is using his phone in the chamber, and that is clearly against standing orders, especially while a speaker from his own party is on his feet.

Madam DEPUTY SPEAKER (Ms Farmer): Order! Member for Whitsunday, is that correct?

Mr Costigan: Madam Deputy Speaker, I was not talking on the phone. I was making sure it was off.

Madam DEPUTY SPEAKER: I call the member for Glass House.

Mr POWELL: As I was saying, I had a meeting with John, Charmaine and the Schiffke family following a letter I received from John. I think it is important to read some of this into Hansard. John and his family have been growing strawberries for 36 years on the Sunshine Coast. They have had not one loss until five years ago and he correlates that roughly to the time when labour hire contractors started appearing in the industry. In the last five years they have had one good year and three losses. He does acknowledge that there are other factors at play here. At Oaklands Farms they have personally had experience with two labour hire contractors. In John's own words—

One was a criminal. The other managed to do things right with pressure applied. We think!

The criminal payed cash, did not pay tax, did not pay super, did not pay workcover, on the majority of employees. On our farm he did pay correct wages as we made sure of that.

Austsafe super have expressed concern as the contributions they receive from the strawberry industry have gone down despite the fact that each year a larger volume of fruit is produced.

We have backpackers knocking on our door regularly that are getting \$6 and \$7.00 per hour after two weeks picking ...

A grower at Caboolture told me he did the figures on another grower he knew to be underpaying his employees and worked out that said grower pocketed an extra \$1,500,000 dollars above what would have been correct.

The outcome for my business is that we are not able to compete and make a profit. We will be forced to close the strawberry business down.

I would suggest this situation is common across all of horticulture where a large number of employees are required for a relatively short period of time. This means that there are very large amounts of money changing hands and I suspect that this has already attracted criminal elements.

As we sat around the table at Mrs Allen's property at Oaklands and discussed this, that view was shared very passionately by Charmaine from Berry Patch Marketing and by the Schiffke family, particularly Merv and his daughters. It was very clear that most horticulturalists are trying to do the right thing. They are trying to ensure that labour hire companies which come on to their properties are doing the right thing, but there are individuals out there who are abusing the system.

When we discussed the fact that the Fair Work Commission had made a ruling that a local grower would be fined—if I recall correctly, the fine was in the order of \$50,000—the response was that that is a slap on the wrist. When a company is pocketing \$1½ million in unpaid workers' wages and super, \$50,000 is a slap on the wrist. As we discussed what the solution should be for the industry, not once did those strawberry farmers come up with a solution that we should be licensing labour hire companies. Instead, not guided by me whatsoever in this discussion, this is what they said needs to be done. We need to increase the penalties for breaches of existing laws. As I said, \$50,000 is a slap on the wrist. The first fine is \$50,000, the second fine is \$200,000, and the third fine is to shut the business down. They were the words of my strawberry growers. Shut the industry down if they continue to abuse existing laws.

Interestingly, they also picked up the fact that under the award there is a definition known as 'piece work'. I will not pretend to fully understand this but there is a definition of piece work. They believe that because of the way the definition is worded unscrupulous operators are misusing that definition to do what they are doing. Their suggestion to my federal colleagues is to clean up this piece work definition.

The third and final aspect that they said needs addressing is to boost the Fair Work Commission, the ATO, superannuation companies, WorkCover and Immigration so they can get out on the ground and check out these businesses which are doing the wrong thing. Equip them with the right number of investigators and stronger penalties and enforcement and break the back of those that are doing the wrong thing. Not once was it mentioned that the solution was to license labour hire companies. When I mentioned that there was a bill before the House they got quite concerned that they themselves might be captured by this bill in terms of licensing and having to go through a whole lot of paperwork.

Following my meeting with them, two days later John met with his federal member, the member for Fisher, Andrew Wallace MP. Andrew also received the same information I did and quite clearly heard the message that the issues pertain to federal legislation, federal authorities and bodies, and that it is a case of cleaning up the legislation, strengthening the penalties and ensuring that those bodies have sufficient staff to enforce them. Andrew has gone further and asked that if Mr Allen and others know of companies that are doing the wrong thing to write down the names of those companies and provide it to him so he can forward it to the relevant authorities to investigate. We have seen efforts by the Fair Work Commission to crack down on this. We now have commitments from these farmers to do in those companies that are doing the wrong thing.

The Fair Work Commission has the legislative power with what is being proposed to potentially clean up some definitions within the award and strengthen some penalties. That is the way to address this issue. I do not think anyone in this House would deny that there is an issue. I have just confirmed it using the words of Mr John Allen of Oaklands Farms. There is an issue, but the solution is not for the state of Queensland to re-legislate by creating a licensing structure for labour hire companies. Given that the state government which includes those members sitting opposite seceded our award system to the federal government, the solution is to ensure that the federal government knows what its legislative responsibilities are. If there are problems with the legislation, clean it up. If there are problems with enforcement, strengthen it. If there are problems with the scope of the penalties, strengthen them. That is the solution. It is not for the state of Queensland to create more red tape for the strawberry industry in my electorate and horticulturalists across the state of Queensland. It is not right but it is what we have come to expect from this lazy Palaszczuk Labor government.