




Speech By
Hon. Grace Grace

MEMBER FOR BRISBANE CENTRAL

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LABOUR HIRE LICENSING BILL

 **Hon. G GRACE** (Brisbane Central—ALP) (Minister for Employment and Industrial Relations, Minister for Racing and Minister for Multicultural Affairs) (4.05 pm), in reply: I thank honourable members for their contributions to the debate on this very important bill, the Labour Hire Licensing Bill 2017. I am proud that the Palaszczuk government is leading the way by becoming the first jurisdiction to legislate for a state based labour hire licensing scheme. The sector, as I have said before, has been left unregulated for too long. If the parliament is serious about doing something to stop the exploitation—and there is irrefutable evidence that this is occurring—of labour hire workers and clean up the sector, then a legislated labour hire licensing scheme is required. I have said before: if you are in the business of selling labour, you should be licensed in the same way as if you are selling a house, a car or alcohol. Legitimate providers have nothing to fear.

I remind those opposite that those large labour hire companies have union agreements. Those opposite know nothing about industrial relations. Most of them have union agreements, so their argument in relation to this is without foundation. There is nothing to fear from those doing the right thing because they will be able to use labour hire arrangements as long as they are using licensed providers.

I now turn to the matters raised in the debate. This bill is about protecting workers who are being badly exploited in this industry, and there is irrefutable evidence of this. It is almost unbelievable that the two main arguments from those opposite against this bill turn into a union-bashing tirade. It is absolutely unbelievable that while we are trying to protect these workers their main reason for not supporting licensing of labour hire providers is based purely on a union-bashing tirade. The member for Kawana made shameful allegations and tried to link declared donations to being payback for protecting exploited workers. At least we know what the union movement gives as far as donations go, but we do not know who gave \$100,000 that the LNP have secretly squirrelled away.

It is embarrassing. There is no substance whatsoever on this very important issue from those opposite. Speaker after speaker had the same two points. One is the union-bashing line. The second one is that we should not be doing anything; let us leave it to the feds who are doing nothing in this space, who have made it perfectly clear that they will do nothing in this space and who are so dysfunctional at the moment that they would not be able to get anything done even if they wanted to do anything. That is the basis of their refusal to support this bill.

They say that everything is okay; everything is fine. There are a few inspectors out there who are finding all this exploitation. This legislation is about prevention. This has gone on for far too long. Enough is enough. We will now be licensing providers and ensuring that employers use only licensed providers. How many more cases of exploitation do we need before we do something? This Labor government will not sit back and do nothing in this area. We need no more evidence.

I suggest that those who have not seen it should see the recent ABC *Australian Story* on the tragic death of Mia Ayliffe-Chung at Home Hill that once again brings home what is happening with labour hire. It was very moving when the member for Bundaberg and I met with her mother, Rosie

Ayliffe, who is on a crusade to clean this up in Australia. She has come all the way from England because what she is saying is that no-one knows who these people are, no-one knows what they are doing and there is no-one protecting people like her daughter who are lured to these areas on the basis of false work and who then incur debts that they cannot get out of.

The Senate education and employment references committee also handed down their recommendations today. One of their recommendations at the federal level is that the federal and state take action to license and regulate labour hire operators. That was one of their recommendations—federal and state. Those opposite should hang their heads in shame for what they are doing here today by not supporting this bill.

I want to talk about the absurdity of this notion that this is propping up union membership. I do not understand how this analogy is being used except that it is the usual thing when they have no substance. The member for Kawana lacked so much in substance on this issue that he took to reading submissions into *Hansard*. He had nothing at all to say except he used a submission that was actually incorrect. It had interpreted the legislation incorrectly. The explanatory notes had explained fully those areas which he read into *Hansard*. Why would they think that licensing would somehow boost union membership? Is that the case in the real estate industry? Is that the case in the car dealer industry? It is laughable and almost embarrassing for those opposite to use those arguments in this place. It was like a broken record—time after time, the same argument, the same ridiculous and nonsensical reasons for not supporting this bill. They should hang their heads in shame. It is almost embarrassing.

With regard to the scope of the bill, as I have said, there are many arrangements. We want to make sure that we capture the genuine labour hire areas. I have made it clear that the arrangements are not intended to cover those areas such as genuine contracting or subcontracting arrangements, permanent placement and workplace consulting services, and volunteering and student placement—the ones that the member for Kawana read into *Hansard*. It is clear in the explanatory notes that that is not the intention of the legislation. Let me inject a little bit of common sense into this. No-one is suggesting that the scheme is there to license chaplains in schools. That is an absolute nonsense. It is clear in the explanatory notes and in the regulations that that is not the case.

The bill makes provision for regulations to be made, as I have said, to further clarify the scope of the bill and ensure coverage does not capture unintended classes of providers or workers. I cannot remember who it was, but one of the speakers opposite just kept talking about 'unintended consequences'. It was like that scene from *The Castle*—'It's the vibe, Your Honour. It's the vibe.' There was no explanation about what these unintended consequences are or any depth of understanding about how the unintended consequences could manifest themselves. It was exactly that scene—'It's the vibe, Your Honour. It's the vibe.' That is exactly what it sounded like.

Mr Hinchliffe: Denis Denuto.

Ms GRACE: Yes, that is right. It was Denis Denuto. I will take that interjection from the member for—

Mr Hinchliffe: Sandgate.

Ms GRACE: Yes, Sandgate. Thank you very much, Leader of the House. I knew it. I was just on a different wavelength.

The scheme will be backed, as I said, by a compliance unit within the Office of Industrial Relations. If after the bill is passed anyone is unsure whether or not they need to be licensed, they can contact that unit. There will be a labour hire website and we will make sure all of the information is there.

I have already addressed the bit about this being addressed at the national level. I have made it perfectly clear that they have turned their back, and I have quoted Barnaby Joyce. He said, 'We don't particularly want to have federal legislation if there's a role for the states.' That is what he said. Well, we are coming in, Mr Joyce, and we are doing it.

There were some allegations that I did not pick up the phone and ring Senator Michaelia Cash about this issue. Let me tell the House about this. I wrote to her on 23 May this year requesting the issue of ABNs, as per the parliamentary committee's recommendations, be put on the agenda for the next meeting of state and territory ministers as part of a broader discussion about labour hire licensing. This meeting was held in Canberra on 11 August, and as per my request agenda item No. 8 was labour hire reform. The Queensland government, Victoria, South Australia and even New South Wales all reported they had undertaken inquiries into labour hire and that, in the absence of any action from the Commonwealth, they were developing state based legislation. That was reported to Senator Cash at that meeting on 11 August. The feds know exactly what we are doing, and it has not stirred them into taking any action in relation to this matter.

Business as usual is not an option here. We need to do something to ensure that we get this right and that this legislation goes a long way. When we talk about support for the bill, the member opposite said that the only people supporting this bill are the unions. As we have demonstrated, that is far from the truth. Let me read an email from a farmer regarding labour hire. I will read this into *Hansard* because it makes more sense than the things that the member for Kawana read into *Hansard*. It states—

Dear Grace

I am a farmer in Bowen.

Many of my peers also agree—

Opposition members interjected.

Mr DEPUTY SPEAKER (Mr Crawford): Order! Members on my left.

Ms GRACE: I will start again. It states—

Dear Grace

I am a farmer in Bowen.

Many of my peers also agree that the new licensing laws for labour hire firm is long overdue.

There will be strong pressure, on yourself and—

Opposition members interjected.

Mr DEPUTY SPEAKER: Order! Members on my left, I warned you before. I will start handing out 253As, beginning with the member for Kawana, if you do not cease.

Ms GRACE: There is a bit of a difference between demonstrating support and just reading submissions that were already on the record. This is not on the record; this is demonstrating support. I continue—

There will be strong pressure, on yourself and the government, to scrap these laws. That is because those doing the wrong thing are lobbying hard to keep the status quo.

The new laws will give so much opportunities to young less skill workers to flourish in a marvellous industry.

I do know for a fact because 25 years ago a farmer employed me to cut asparagus, I found something that I was good at and went on to start my own tomato farm here in Bowen.

I now employ 4 Australians pickers even if I have to compete with large farms underpaying their workers through labour hire firms.

What I see, in regard of labour hiring, on 50% of the farms in Bowen is shameful.

A lot of young aussie workers will benefit from your good work.

That was a farmer from Bowen writing to me congratulating me in relation to it.

Mr Costigan interjected.

Mr DEPUTY SPEAKER: Member for Whitsunday, you are warned under 253A.

Ms GRACE: They do not like it. They do not like it when we have these people supporting the bill. The Uniting Church in Queensland stated—

The Uniting Church in Queensland fully supports the introduction of a mandatory labour hire licensing scheme ...

...

The Uniting Church in Queensland accepts this government's proposed legislation will help prevent such criminal activity by reducing the profit of unethical businesses and will increase the risk of being caught and sanctioned.

Then there is the Salvation Army, which said—

The Salvation Army commends the Queensland Government for introducing this legislation to protect fair employers from unethical competition and to protect workers—both Australians and migrants—from all forms of labour exploitation. We see this is a critical step to disrupting the business model built on exploiting vulnerable people and holding those who use it to account.

Even the Queensland Community Alliance, comprising 27 civil society organisations, said in a media release yesterday—

The Government is introducing their Labour Hire Licensing Bill this week, and this is a good start. But what we know is that any rights need to be enforced.

Indeed, I could not agree more, and we will be ensuring that is the case.

The LNP are so blinkered on this bill that their statement of reservation to the committee report even tries to dismiss the views of those employers who are supporting the licensing system. How arrogant is that. They wrote that they do not even know what they are getting themselves into, or words to that effect. They are unbelievably arrogant, rude and shameful.

Queensland is certainly leading the way once again, I am proud to say, but following in our footsteps is the South Australian government, which introduced their own Labour Hire Licensing Bill 2017 on 10 August. It adopts essentially the components of our Queensland bill that we will vote on today and hopefully pass.

Victoria is also working to introduce legislation to licence labour hire firms in response to the same types of issues as this bill seeks to address. International comparisons show that a number of other countries have benefited from labour hire licensing arrangements. Countries with labour hire licensing schemes include Singapore, Japan, South Korea, Belgium, the Netherlands and the UK. With regard to restricting this to certain industries, we only have to look to the Gangmasters Licensing Authority, which oversees a sector specific scheme in the UK. They wrote in response to the Queensland labour hire issues paper. Based on their experience they recommend that a broad approach is the best way to go. Their correspondence stated—

The GLA—

the Gangmasters Licensing Authority—

believes that the ability to effectively tackle labour exploitation across any industry where it arises requires an effective combination of civil and criminal investigative powers and sanctions, without any regulatory restrictions to narrow industry sectors. Our licence holder data identifies that most, if not all, licence holders supply labour into other industry activities and do not restrict their economic endeavours to the agricultural sectors. Logically therefore, if an employer operates exploitative practices in agriculture they will operate them in any part of their business, and effective enforcement must be capable of tackling it wherever it is found.

That is exactly what our bill does.

In conclusion, I am proud to be standing here today bringing this bill to the parliament as an industrial minister in a state Labor government. This is a piece of legislation in the very best traditions of a reformist, progressive Labor government that looks out for those who are not being treated fairly in our society. We are legislating this scheme in response to disturbing and irrefutable evidence and allegations of underpayments, discrimination, harassment, use of illegal business practices and denying workers access to their rightful entitlements and protections that have been unearthed by various state and federal labour hire inquiries. More of the same is not an option. In the absence of federal leadership on this issue, the Queensland Palaszczuk government has taken every step it can at a state level to address these issues through a state based licensing scheme. These are good laws and they are sorely needed. The only way to put an end to this appalling exploitation is the introduction of a rigorous labour hire licensing scheme, and that is what this bill delivers. Shame on those who do not support it!

I also take the liberty to wish the childcare workers all the best in their campaign for fairer wages. I also wish the member for Dalrymple a very happy birthday. I commend the bill to the House.