

ANNEXURE

1. Licencing - What do you think are the important features of a system to effectively regulate the labour hire industry in Queensland?

- 1.1 Any system must avoid duplication of regulation and licencing. Master Builders rejects any suggestion that additional regulation is required for labour hire operators holding a QBCC license.
- 1.2 Master Builders acknowledges that no industry is entirely free from unethical or unlawful behaviour. However, it is not justified to impose a regulatory scheme on all industries based upon the irregular behaviour of a minority in some industries.
- 1.3 The government must review and focus its core services (education and training, community engagement and representation and limited financial assistance) to support persons who are working or considering working in the known high-risk sectors.

2. Fit & proper person test - What criteria do you consider appropriate to include in a fit and proper person test or otherwise to obtain a licence to operate as a labour hire provider?

- 2.1 Master Builders rejects any suggestion that additional regulation is required for labour hire operators holding a QBCC license.
- 2.2 The QBCC scheme requires licensees to demonstrate at all times:
 - honesty and integrity
 - meet commercial or statutory obligations
 - report on breaches and circumstances leading to the failure
 - to repair defective work
 - abide by QBCC directions

3. Licencing fees – What level of fee do you consider appropriate to licence labour hire operators and how would it be collected?

- 3.1 Master Builders rejects any suggestion that additional regulation is required for labour hire operators holding a QBCC license.
- 3.2 In the alternative, we note the scheme in Western Australia have fees less than \$1,000.00pa.
- 3.3 Should the government introduce licencing fees, all labour hire operators that hold a QBCC license must be exempt.

4. Threshold capital requirement – What do you consider to be an appropriate amount for the threshold capital requirement and how should it be calculated?

- 4.1 Master Builders rejects any suggestion that additional regulation is required for labour hire operators holding a QBCC license.
- 4.2 The QBCC Board determines the financial requirements for licensees. Should the government see fit to create a separate licencing system, these long established capital requirements may be disturbed and QBCC standards compromised.
- 4.3 Alignment is critical. To avoid confusion, a threshold method should consider the QBCC standards. The QBCC financial requirements in general require a bond of no less than 4% of assets. For example, a 'Maximum Revenue' of \$600,000 requires Net Tangible Assets of \$36,000 and a Maximum Revenue of \$4,000,000 requires Net Tangible Assets of \$210,000.

5. Bond – How should a bond for a labour hire operator to operate in Queensland be calculated and what would be an appropriate amount for the bond?

- 5.1 Master Builders is opposed to the government imposition of a bond for labour hire operators holding a QBCC license.
- 5.2 Please see above 4.2.

6. Annual compliance reports – What types of information do you think would be appropriate to be reported regularly by labour hire providers to demonstrate their compliance with their obligations?

- 6.1 Master Builders rejects any suggestion that additional reporting is required for labour hire operators holding a QBCC license.
- 6.2 Compliance reports and audit certificates will impose significant expense on operators being a further example of unintended consequences.
- 6.3 Should the government introduce an annual compliance report we submit that QBCC licensees be exempt from such a requirement.

7. Training – What additional information and training do you think labour hire firms should receive on their rights, entitlements and obligations and how should this be delivered?

- 7.1 Master Builders rejects any suggestion that additional training is required for labour hire operators holding a QBCC license. Licensees are carefully assessed.
- 7.2 The *'Establish Legal And Risk Management Requirements Of Small Business'* (BSBSMB401) course is compulsory for QBCC licensees. It provides training in management and trade contracting. The course covers a wide range of topics including business structures; planning and marketing; business name registration; obligations and licences; business finance; insurance and contracts; compliance management; communication and marketing; accounting and taxation; and Job costing.
- 7.3 In the alternative that the government introduces a training requirement, we submit that QBCC licensees be exempt from such a requirement.

8. Regulating employment – What information do you consider appropriate to be included in labour hire contracts to ensure that workplace regulations are met?

- 8.1 Master Builders rejects any suggestion that additional regulation is required for QBCC licensees.
- 8.2 It is not appropriate to require additional terms to contracts that would, in effect, simply say the parties will comply with the law.

9. Regulating employment – Do you think there are circumstances where a labour hire worker should be able to pursue the host employer for their entitlements in the event the labour hire employer does not meet its obligations e.g. if the host employer was using an unlicensed provider?

No, the legal relationship is between the labour hire firm and its employees.

10. Compliance – Do you think it would assist the workers, host employers and labour hire operators if there were access to information and referral services by way of a ‘one-stop-shop’?

As recommended in this submission, the government should review its services in the areas of concern. However, we stress that this would be decidedly more preferable to, and in substitution for, a regime of licencing and additional regulation.

11. Are there any other issues you would like to raise that are relevant to the Queensland Governments considerations of the labour hire industry and ways to ensure that it operates ethically and meets its legal obligations for workers and the businesses it serves?

As an alternative to licencing, the government should favour a community and business services model to educate and support ‘at risk’ persons or groups.