

Labour Hire Licensing

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Last year the Queensland Government introduced a new labour hire (LH) licensing scheme for labour hire providers in Queensland aimed at protecting LH workers from exploitation. A LH provider is someone who supplies workers to work for another business or person (a labour hire user), and who has an obligation to pay the worker for the work they do.

While this is a broad definition, AgForce has worked with the Office of Industrial Relations to develop a fact sheet to provide an overview of how the scheme applies to the broadacre agricultural industries and clarify those arrangements that are not LH.

Arrangements that are not LH include:

- genuine recruitment and permanent placement
- genuine sub-contracting arrangements
- supply between entities within a single recognisable business
- supply of high income workers (an employee earning over \$142,000 per annum or equivalent, and not covered by an industrial instrument)
- supply of a worker who is an executive officer of a corporation and the only person supplied
- supply of an in-house employee who is temporarily supplied to another person. An 'in-house' employee is defined as an individual who:
 - a) is engaged as an employee by the provider on a regular and systematic basis; and
 - b) has a reasonable expectation the employment with the provider will continue; and
 - c) primarily performs work for the provider other than as a worker supplied to another person to do work for the other person.

All labour hire providers must apply for a licence by 15 June 2018 and meet several requirements to continue to operate in Queensland. LH providers who apply for a licence after 15 June 2018 must not operate prior to their licence being granted.

All users of LH in Queensland must only engage licensed LH providers. You can check whether a provider is licensed to operate in Queensland at www.labourhire.qld.gov.au.

Further information on the scheme, including the full fact sheet, is available on the LH Licensing Queensland website (www.labourhire.qld.gov.au). If you are unsure whether your arrangements involve LH please contact the LH Licensing Compliance Unit on 1300 576 088.

Example Broadacre Arrangement

Licence Requirements

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| <p>A farmer uses harvest contractors to assist with their harvest. They contact Grain Harvesters Pty Ltd, who complete the harvest using their own equipment including large combine harvesters and field/chaser bins.</p> | <p>Grain Harvesters Pty Ltd is not considered to be providing a LH service in this case - no licence required.</p> |
| <p>As above, however, Grain Harvesters Pty Ltd needs additional workers to fulfil its contract with the farmer, and contacts LH Pty Ltd to provide workers.</p> | <p>LH Pty Ltd is a LH provider and needs a LH licence. Grain Harvesters Pty Ltd is a user of LH and must ensure they use only licensed providers. If Grain Harvesters was to directly employ casual labour to increase its workforce, it is not a user of LH. As Grain Harvesters Pty Ltd is not required to have a licence, the farmer is not required to check that Grain Harvesters Pty Ltd is licensed.</p> |
| <p>A wool producer needs their sheep shorn and engages Shearers Pty Ltd. Shearers Pty Ltd provides a team of shearers and shed hands, as well as all the necessary equipment to perform the contract with the farmer. Shearers Pty Ltd have an annual program of shearing sheds that they service each year.</p> | <p>Shearers Pty Ltd is not considered to be providing a LH service in this case - no licence required.</p> |
| <p>Allan organizes shed hands to be supplied to a local grazier to help with shearing. He sources them from backpacker hostels and charges the grazier a fee. Allan pays the backpackers.</p> | <p>Allan is a LH provider and needs a licence. The grazier is a user of LH and must ensure they use only licensed providers.</p> |
| <p>A beef producer needs a cattle yard and loading ramp built and engages Fencers Family Trust to complete the work. Paul Fencer and his son subcontract Concreters Pty Ltd to complete the concreting part of the job.</p> | <p>Fencers Family Trust are contractors and Concreters Pty Ltd are subcontractors, and both businesses are not considered to be providing a LH service in this case - no licence required. Subcontractors who enter into a contract to carry out construction work within the meaning of s.10 of the <i>Building and Construction Industry Payments Act 2004</i> are not considered to be providing LH service.</p> |
| <p>Farmer A employs farm hands to work on her farm. Occasionally during down times, the farm hands help out other farmers in the area. The other farmers return the favour. The arrangements are on an ad hoc/'as needed' basis, and the workers are in-house employees of Farmer A.</p> | <p>Farmer A is not considered to be providing a LH service in this case. - no licence required.</p> |
| <p>A beef producer needs their cattle mustered and engages Musterers Pty Ltd. Musterers Pty Ltd provides their mustering team, horses plus subcontracts a helicopter pilot to perform the contract.</p> | <p>Musterers Pty Ltd are contractors and the helicopter pilot is a subcontractor, and both are not considered to be providing a LH service in this case - no licence required</p> |