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14 September 2020

Minister Suzanne Orr Minister for Employment and Workplace safety Legislative Assembly for the ACT CIVIC ACT 2600

By email: ellen.lukins@act.gov.au

Dear Minister

RE: Implementation of the Labour Hire Licensing Scheme Act 2020

Thank you for your letter of 1st September, inviting comment on the above. Given the relatively short time frame of less than two weeks to respond, we have not had the opportunity to engage extensively with members, and the Canberra Business Chamber's comments are therefore limited. My understanding is that the Chamber has previously made submissions and representations on the implementation of a labour hire licensing scheme in the ACT, and we would refer you to these in addition to our comments below.

The ACT Government recently identified the need to "support business to grow and start through better regulation...." as a priority in the Jobs and Economic Recovery Plan. We urge you therefore to consider whether the significant additional regulatory requirements and compliance associated with a labour hire licensing scheme will justify the outcomes achieved and the added burden on ACT businesses in this challenging economic climate.

We also suggest that the ACT Government could support small businesses and those starting in business though a differential or scaled structure of costs and compliance requirements for different size enterprises.

The Chamber echoes the views of the Master Builders Association that Group Training schemes should not be included within the proposed ambit of the Act. As the MBA notes in their submission to you, such entities are already required to be registered with, and are monitored by, Skills Canberra.

We also believe consideration should be given to mutual recognition of labour hire firms registered in other states. In other words, firms which are compliant with labour hire laws in any one of the other Australian states should also automatically be deemed to be compliant with the ACT legislation. This will reduce compliance costs for industry.

We note the requirement of applicant firms having to pass a 'suitable person' test. As the attachment to your letter says, "It will indicate whether an applicant is honest, professional and has integrity in respecting the standards of an ethical work environment." This phrase is subject to a range of different interpretations. Whilst there are some circumstances in which such a test is appropriate, it is important that such measures are not used as a de facto criteria to deny

registration to firms on arbitrary, qualitative grounds such as expressed opposition to the government of the day, relationships with government officials, or a perceived anti-union stance. Should such a test remain, a simple right of appeal must exist that can be exercised to ensure applicants are not denied natural justice.

Finally, we believe that further consultation with key industry groups with an interest in this topic, such as the Master Builders Association of the ACT and the Recruitment, Consulting & Staffing Association of Australia and New Zealand, be undertaken by the new government prior to any decisions being made as to the Act's implementation.

Regards

Graham Catt

Chief Executive Officer

Grat late