# CORRECTED VERSION

### ECONOMIC DEVELOPMENT COMMITTEE

# **Inquiry into Labour Hire Employment in Victoria**

Melbourne — 15 November 2004

### **Members**

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Mr R. H. Bowden Mr N. F. Pullen
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Executive Officer: Dr R. Solomon Research Officer: Ms K. Newitt

### Witnesses

Mr C. Cameron, Consultant, Stratecom; and Mr R. Shields, Principal, RCS and Associates.

The CHAIR — We welcome the RCSA again — I think this is Mr. Cameron's second time. Today we have Charles Cameron and Reg Shields. Thank you for your time and we are pleased to be able to accommodate you today. You know the background to this inquiry; it has been going on for some time and we are due to put a report in by the end of the year. Because this is a formal hearing it is being recorded. Anything you submit to us in written form may be considered by the committee to be a public submission and made available — it depends if you want to do that. Anything you say is covered by parliamentary privilege only for the duration of this proceeding. Once you go out the door that does not apply. I think you know the background and I do not need to say anything else. We invite you to make your submission and then we will throw questions around.

Mr CAMERON — At the outset we would like to thank the committee for the opportunity to again present. We appreciate that we have already filed a submission and already represented verbally to you; however, given the fact that we are the peak industry body representing employers in the on-hired employee services industry, as we like to call it, we felt it opportune and necessary for us to present again for you today.

In not only response, but certainly consideration of some of the, let us say, statements that have been placed on the record to date, having sat before the last party being the Victorian WorkCover Authority, I would like to start off by commending the committee on taking what we believe is probably a move towards a more constructive approach to looking into our industry and understanding the nuances and the importance of moving away from a philosophically inspired debate, which is good employment versus bad employment, and the recognition of a need to adopt rather than hinder these forms of employment. We look forward to working with not only the government but also the respective regulatory bodies.

**The CHAIR** — This is fine, Charles, although some might say that we never had that view to start with so we have not moved anywhere; we have just been very open-minded from the word go.

Mr CAMERON — I appreciate that and the position we have considered may be more influenced by those who have presented to the committee than the committee itself. We do, however, retain some concerns with some of the approaches, and please bear with me in running through those. We want to place on record our concerns in probably predominantly four particular areas. Firstly, we feel the inquiry, and maybe more appropriately the majority of parties addressing the inquiry, appear to have focused unduly on perceived issues associated with the growth in casual employment rather than appropriately focusing on the issues associated with on-hired employment, as we might have put it.

Secondly, in relation to the introduction of a registration and licensing scheme without providing the peak industry with the opportunity to articulate its position when such an opportunity has been afforded to some other stakeholders, we thought it appropriate to place our position on the record in addition to the position that was placed in writing as part of our principal submission. Thirdly, there has been a heavy reliance, as we see it, on anecdotal information — or at least anecdotal information being put forward. Whether the committee relies on that is yet to be seen, but we believe there is a need to have a far more articulate debate that is founded upon, let us say, valid and objective information. Fourthly, we feel there has been undue focus on the perceived threats that the industry presents to traditional employment arrangements, rather than what we say is exploring the means by which on-hired employee services currently provide solutions and could provide many further solutions to what is no doubt a changing labour market. I would like to address some of those issues in more detail.

I will start off with the issue of casual employment versus on-hired employee services. We state that whilst the majority of on-hired employees in Australia are employed on a casual basis, such employers make up — and there are some varying figures — around about or just less than 10 per cent of the total Australian casual work force. It is not like on-hired employee services employ a majority of the casual employees in Australia: one in five on-hired employees in Australia is employed on a non-casual basis and I remind the committee of that particular fact, and about the trend towards the engagement of individuals on a non-casual basis.

We state that there is no evidence that a restriction on the capacity to utilise on-hired employee services would have any real impact upon the number of casual employees in Australia. That is our view and we invite the committee to consider whether seeking to regulate on-hired employee services is going to address that issue, but I am sure that is not the only issue the committee is considering.

There is a growing body of opinion on both sides of the debate that on-hired employee services, if embraced in a constructive manner, could be utilised to provide solutions to the perceived issue of increased casual employment

within Australia. Later in my presentation I will go to that point. On-hired employee satisfaction ratings should be contrasted against direct-hire casual employees, given that most on-hired employees are engaged on a casual basis. To that extent we invite consideration on the basis of comparing apples with apples, rather than purely looking at it as an on-hire versus a direct-hire arrangement; looking at a true comparison of what the alternative might otherwise be.

We ask the committee not to be drawn into that debate over philosophical perceptions and invite it to consider some international experiences and trends that are developing. Last year the EU's European employment task force recognised the greater function of on-hired employee services whilst contemplating the natural opportunities available to providers consistent with the position articulated by the RCSA in this inquiry. An extract from that report stated that "temporary agency work can be an effective stepping stone for new entrants into the labour market and hence contribute to increased job creation, for example, by facilitating recruitment instead of overtime. Acting as human capital managers rather than mere manpower suppliers, these agencies can also play the role of new intermediaries in the recruitment and management of both qualified and unqualified staff, offering employers an attractive alternative to traditional recruitment channels." We labour this point because we believe it is absolutely critical in taking a constructive approach forward after its recommendations are handed down.

I will move quickly onto the point of registration or licensing which has been addressed by parties from both sides of the fence: those representing employees from the union movement or otherwise; and those who may well be members of ours or not members of ours.

Consistent with our submission, we support the notion of industry self-regulation. We believe self-regulation has a far greater capacity to provide for the sustained improvement of standards of service delivery and compliance in contrast to regulatory models imposed through a government body. There is evidence of an international trend away from government regulation of on-hired employee services and the need to adopt a broader, more encompassing framework rather than a restrictive framework. The United States, the United Kingdom, Canada and Ireland all prefer what we would call a voluntarist approach to that of government regulation of on-hired employee services. If the committee felt it was indeed appropriate to recommend the introduction of an industry-specific regulation by legislative prescription, we do, however, submit the following, even though it is not our preferred position.

We state, firstly, that the objectives and justification must be clear, explicit and founded upon objective evidence, not anecdotal evidence. Secondly, the benefits to the committee indeed as a whole must outweigh the costs. Thirdly, the regulation of on-hired employee services must not disadvantage compliant providers. Fourthly, there must be clear evidence that the objectives of the legislation or regulations could not be achieved more efficiently through other means, including non-legislative approaches. Finally, any regulation would need to be nationally harmonised and not such that it may disadvantage Victorian industry against that of its interstate counterparts.

Again, in summing that up we invite the committee to consider whether there is objective evidence of the need to regulate this industry whilst not regulating direct hire employment. I might just touch upon the submission made by Mr Tweedly of WorkSafe. I think he very accurately put it when in response to a question re regulation, 'There already is regulation'. We have already seen in Victoria — —

**The CHAIR** — He said 'registration' not 'regulation'.

Mr CAMERON — I apologise if I misinterpreted it. To that extent I guess we will go back and have a look at that. For regulation industrial relations, occupational health and safety, equal employment opportunity, privacy — right across the board there is absolutely no reason why this particular regulation could not be more appropriately considered to enforce some of the standards or the legal obligations if there is a feeling that they are currently not being complied with.

We see it in the OHS arena, the compliance campaign. I apologise, I did not hear the start of the VWA submission. Over the last year and half we have half gone through a compliance campaign. They have approached not only RCSA and non-RCSA members in terms of their compliance under the Occupational Health and Safety Act, but indeed gone out to the clients as to whether those particular processes have been implemented. In a moment I will come also to some investigations and compliance campaigns that were undertaken in the South Australian jurisdiction, which no doubt you are already aware of.

On the third point — that is, reliance on anecdotal evidence in stakeholder submissions — we are concerned by the heavy reliance upon anecdotal information to support allegations in regard to threats presented by the growth of the industry in Victoria. In the absence of clear and objective information we are susceptible to drawing conclusions based upon opinion and anecdotal information. As an attempt to try and redress this issue we commissioned RMIT University to come up with some far more meaningful statistics. Of course there is opportunity to improve that, but we believe clearly this is the only research that has not just considered the position of on-hired employees, but has also considered the position of those providing the services — those being the employers — and also those who are actually the end users who are utilising those services.

We ask the committee to consider the breadth of this particular information when it is quite easy to rely upon anecdotal information. Indeed many of the submissions that have been put cannot be substantiated, and we would argue are hindered and placed on the record by a couple of presenters on behalf of employee organisations, and that their intention for many years has always been to eliminate labour hire. Some are probably coming around to the understanding that this type of engagement or this industry is here to stay. We invite you to take what we call a constructive approach to understanding the industry.

We had sought discussions with the ACTU to outline the true nature of our industry and to hold discussions with the executive and the largest unions in Australia to find out where we can meet common objectives. I do not think we are always going to reach agreement for a whole range of reasons. I do put it and outline to you that we have sent possibly two if not three letters, and we have approached the bar of the ACTU directly to hold those discussions to date over probably a six to 12-month period. I can appreciate they are busy, but given the proposed threats, I guess — or the perceived threats — we still have not received a response from the ACTU. We look to work constructively with the union movement in going forward in this area.

Finally, in summing up our position, we are concerned by the failure to consider the benefits of on-hired employee services and future opportunities.

# **The CHAIR** — Failure by whom?

Mr CAMERON — By those who have been submitting to this inquiry. We invite the committee to also consider these opportunities when putting together its recommendations. We argue that there has been a significant change in labour hire over the past 15 years, and that is why RCSA believes it is now time to adopt a more precise terminology to describe the contrasting elements. Even in the last submission, WorkSafe indicated the need to be more articulate about whether arrangements are true labour hire arrangements or not. To that extent I believe Mr Jenkins raised the issue of a provider providing a wholly outsourced labour hire employment arrangement in the Latrobe Valley. These are the classic examples. I have no reason to suggest it is not through labour hire, but what we need to do is be far more articulate in understanding what are on-hired employee services versus contracting services; what arrangements are undertaken — for example, whether the supervisors or managers are also provided by those particular firms providing on-hired employee services; and the implications that it has on the issue of control, which is a theme we continue to return to.

We would argue that the on-hire of independent contractors within our industry is now in the minority when considered against on-hired employee services. This has resulted in significant change in levels of compliance. I would like to think there is a clear trend towards improving compliance, and we have no reason to believe that trend will not continue. The industry is no doubt still maturing, and its evolution continues. The RCSA sees evidence of small to medium providers improving their capacity to achieve best practice by acting in a compliant and indeed socially responsible manner, which we support and which we argue is critical to the sustainability of our industry and important to equity right across the board. There is evidence of improving trends in relation to occupational health and safety, and this is borne out by a holistic consideration of workers compensation data in relation to RCSA members. I reiterate that the trends in injury frequency rates, certainly from WorkSafe, are clearly improving. Whilst there is still work to be done, and we would obviously look to a more suitable comparison between on hire and direct hire, we question whether — as I understand it, this has not been raised — it is appropriate simply to contrast on-hired employed services with all forms of direct hire employment, given that at least 75 to 80 per cent of on-hired employees are casual. What are the incident frequency rates of direct-hire casual employees? What are the cost rates in comparison to direct-hire casual employees? We ask for that broader understanding.

I will quickly ask Mr Reg Shields to articulate some of the research that has been undertaken by RCSA, albeit in regard to RCSA members. Mr Shields is an ex-officer or ex-employee of one of the major insurance providers covering our industry, and I believe he is well qualified to provide a brief opinion.

**The CHAIR** — We are happy to have Reg talk to us, but it will have to be quick if you want us to fire any questions.

Mr SHIELDS — The most telling point is the difficulty in comparing information between one industry and another in Victoria, given that the RCSA serves all industries and there is no one industry that you can compare it against. If you look at figures in relation to frequency rates, you will see there is a substantial reduction over consecutive years in the combined WorkCover industry code (WIC) rates that are applicable to labour hire. There is also a reduction in the average cost of claims over three years. A couple of years ago the RCSA was approached to provide a sample of data with the permission of a number of RCSA members; 150 RCSA members gave permission for their data to be analysed. That data was compared against the whole population for the two appropriate WICs, and it showed a reduction from a \$15 000 average cost of claim to \$11 299 over 2001, 2002 and 2003, compared with the data for only two years of the whole of the WorkCover industry codes, which for 2001 was an average cost of \$39 470 and for 2002 was \$38 013. The difficulty I mentioned there is the difficulty in determining who were RCSA members, for a start. It is really only the RCSA that can determine who are members of that organisation, so it is very difficult to compare the WorkCover industry codes alone.

The other aspect is the premium system and the inequitable basis of rating at the moment. In some of the anecdotal information I have seen the industries are compared by looking more at occupation rather than industry. The industries that are served by the RCSA members are probably every single industry in Victoria, and when you compare that against a given type of occupation it is very difficult to produce a valid comparison. That is all I would like to say. The figures are very difficult to obtain in Victoria, and at this stage they have been impossible to obtain in other jurisdictions, so it is very hard to come up with meaningful figures that show the true performance of the labour hire industry and, in particular, members of the RCSA.

Mr CAMERON — To that end, one of the interesting things was that in the last submission there was not any trend analysis in terms of claims costs as opposed to frequency ratios. Obviously it would be interesting to see whether we are experiencing the same trend there, which we would argue is a movement towards improved performance. To that extent I will say very quickly on occupational health and safety that we believe chapter 11 of the Maxwell inquiry report very well articulated some of the issues associated with control. Those within WorkSafe may articulate that the law is clear, and we would not dispute that the law is clear, but what we dispute is whether that provides for the optimal utilisation of resources at the end of the day to provide what are ultimately safe workplaces. We believe that warrants further consideration. Please note that only last week a bill was passed in the Western Australian jurisdiction that introduced the concept of the capacity to control for labour hire and for host organisations or clients.

If one needs to gain some understanding of our levels of compliance, we believe the South Australian targeted intervention strategy that was recently concluded stated in its report:

Overall from the findings of the audits we can see that the labour hire/on-hire industry is well on the way to achieving OHS excellence in the labour hire/on-hire process.

We would argue that is completely inconsistent with many of the positions that have been put by some of our critics.

In response to ongoing claims that many providers do not even provide a comprehensive induction, we put it to you that we have prepared and released to our members a CD-based induction program seeking to provide consistency in terms of the induction process. Yes, it is quite comprehensive, and we are still working on the take-up rate. We are looking to move that to an online product very shortly, and that will be constantly updated. We put to you that we sought but were denied funding by WorkSafe to put that together. Given the suggestions that there is a lack of compliance in the area of inductions, we question why WorkSafe chose not to provide that funding. We may well find there were other reasons for that, but we ask the question.

In conclusion, we as the peak industry body recognise the importance of sustainable service delivery. If we support a position that is undercutting of the direct-hire employment position, our industry is not sustainable. We see that we play a fundamental role in encouraging our members and indeed those outside of our membership base to take

on a responsible attitude. The RCSA is anything but flatfooted in addressing these issues. We feel we are in a very good position to work far more closely with the government to give it, firstly, a true understanding of the nature of the services that our members provide; and secondly, the opportunities.

It is undeniable that thousands of individuals each year are provided with the opportunity to re-enter and enter the work force through on-hired employment. We ask the committee to consider the difference between the adoption of soft-skill development versus hard-skill development — that is obviously getting people back into understanding how to relate with people in the work force and how to work with different employers. We feel that is imperative to the continued growth of employment opportunities in Australia.

In coming to a conclusion, I turn to some of the RCSA initiatives we have already raised and some additional ones you may not be aware of. We are holding a symposium in March next year to address the issue of the training of flexible workers. Trying to put a square peg in a round hole in the delivery of training services to flexible workers is missing the point. We need to have a far better understanding of the needs of flexible workers and how we can look towards having sustainability of training rather than simply seeking to adopt old-school positions in training delivery.

We are undertaking a major policy review at the moment, and we have commissioned the development of a discussion paper seeking to look at international considerations and ways in which we can look to sustainability. We are developing customer service management standards. We note that the standards were raised again in the presentation of WorkSafe and we wholeheartedly agree that the development of standards that we would argue by our own industry are absolutely critical to the future development of this industry in an ethical manner. We are speaking to research bodies with a view to conducting action research whereby what would be otherwise sporadic casual forms, it will be turn in to a pool of labour through labour hire and done through permanent employment. This is an absolute opportunity that we believe this committee should seriously look at adopting. We are working with New Zealand to trial the establishment of an occupational health and safety passport that can be carried from one provider to another. Our members are working with banks to provide on-hired employees with access to bank loans and indeed it has been raised on a number of occasions we as the industry body are seeking to do the same —

**The CHAIR** — You have to direct those comments to Noel Pullen.

Mr CAMERON — Indeed. I will just for the record say that probably our position on the Skilled Engineering submission is we have not stated that it is not a problem. What we are stating is that we are not getting hordes of people coming to us and raising the issue. We look forward to working with you to try and overcome this issue. Very quickly on the issue of recovery actions, it is very important that you understand these actions and hold harmless clauses — I will step back here and say that the concern we have with the hold harmless clause is that it seeks to indemnify the associated common law cost; it does not seek to exempt clients from prosecution or compliance with occupational health and safety legislation. To that extent we would support the outlawing of hold harmless clauses because we think they do absolutely nothing to articulate and make clear the obligations of the client in terms of occupational health and safety management. In regard to recovery actions, there are opportunities — and we go again to South Australia where they have articulated and we have supported in conjunction with WorkCover a position whereby we believe where a client demonstrates a willingness and adopts practices to promote return to work of on-hire employees there may be some level of exemption from recovery actions. These constructive attitudes are what we believe are the future of our industry rather than simply sitting back and seeking to look at some of the more vulnerable elements, but we are more than happy to do that as well.

There is absolutely always room for improvement in our industry. We believe we are continuing to mature. We want to work far more closely with both sides in terms of government regulatory authorities and unions, and we believe there is a valuable opportunity here with this particular committee to come down with recommendations that are not simply look at-reactions to what would hopefully be, we would argue, old school attitudes towards employment and look towards working with us to find ways in which we can address even some of the broader issues and indeed that may well be the issue of casualisation. To that extent we certainly appreciate the opportunity to come back before you and we very much look forward to seeing the interim report and holding ongoing discussion.

On the final point in regard to regulation, if you do seek to recommend the introduction of a regulation scheme or a licensing scheme, we implore you to have a comprehensive and in-depth consultation process, and that would not

just be the difference between the release of the interim report and the release of the final report given the implications it would have.

The CHAIR — We are flattered that you would send such a large delegation along to encourage us to deliver a report that is fair and objective, because from day one that is what we actually do. Despite our political differences, no-one on this committee wants to put their name to a report that does not stand up to some degree of scrutiny. The fact is we will get submissions in this inquiry more so that in previous inquiries, and possibly those in the future, where the submitting parties are coming out from very divergent points of view. Just because you have a succession of people arguing on any point of view to us, that does not mean that we have been worn down by the weight of numbers. We do say that our reports are going to be fair and objective. We only have limited time for questions.

**Ms MORAND** — Just to reiterate what Tony said, the committee certainly recognises that labour hire can be mutually beneficial for both the labour hire firm and the labour hire employee. I have two points: one is whether you have any supporting documentation for your statement that there is decreasing regulation of labour hire firms in those jurisdictions and overseas?

Mr CAMERON — We can certainly provide that.

Ms MORAND — I would be very interested to know if that is the case because we have not heard that.

**The CHAIR** — You will need to provide it quickly.

**Mr CAMERON** — The interesting thing is that part of the discussion paper that we have had commissioned identifies some of these trends, and I am more than happy to speedily provide that.

**Ms MORAND** — I just wanted to quickly clarify your position on the Maxwell inquiry recommendation about amending the act to clarify the issue of control. So is the RCSA saying that you support that view?

Mr CAMERON — We certainly support the view on the basis that to place exactly the same obligations right across the board upon both provider and client or host organisation does not take into consideration this capacity to control, the level of workplace knowledge or the level of expertise. We have always articulated that to place the same obligations is at best unreasonable but at worst downright unsafe on the basis that you could be asking people who have no local knowledge or experience in the absence of a host organisation conducting for example a risk assessment, to do it themselves, which could ultimately introduce a unsafe work environment if it were not done correctly. We have constantly talked about what we call interlocking duties as opposed to duplicating duties or overlapping duties. We will be very interested in speaking to the Western Australian jurisdiction about how they interpret the introduction of those.

**Ms MORAND** — Given your answer then the issue of whether or not self-regulation can achieve the outcomes you desire is something I guess we have to consider.

Mr BOWDEN — It has been suggested to the committee by the Victorian WorkCover Authority (VWA) on the incidence of injury claims where labour hire is used that on a comparison the frequency rates in the production industry where labour hire employees are involved is substantially higher than the absolute norm for non-labour hire people. I was just wondering: is the association aware of this; is it approaching it as a policy issue; and could you perhaps comment on your experience or awareness of that alleged very visible differential?

Mr SHIELDS — I have not seen any figures in relation to that. I can only comment on the fact that the occupations of those people who are engaged by host employers tend to be what we call the sharp end of the employment scale — they work on the loading docks and other manual work where there is greater propensity to injury than that in clerical or softer jobs. The problem is that you only have one category in the labour hire industry to place those people — the blue-collar sector — and you are comparing that single sector which has a propensity to injury because of the occupations against all of the other 516 industry codes in the Victorian premiums order.

**Mr BOWDEN** — The derivative suggestion of that data is that there is an apparent differential based on the supply of the labour — the higher ratio from labour hire versus the permanent employee industry standard. We will get a set of that in detail, but I just wanted to ask your thoughts on that?

**Mr SHIELDS** — I have not seen that. The figures that we have looked at show that the labour hire sector — the combined white and blue collars frequency rates — is actually lower than the scheme at large.

Mr CAMERON — It is worth placing on the record that we believe there is a new opportunity to start providing information with regard to claim information to allow us to far more accurately compare our experiences with those of general industry, and I think what we experienced was some of the difficulties associated with a form of rush analysis without giving us back details. We are more than happy — and I think one of the frustrations we have had is, one, with access to the information, and two, appropriate information to that extent — to consider all information, and I think this whole issue is that we are continuing to work to try to address some of the challenges associated with this while we have been engaged in it, and we will continue to do so.

Mr SHIELDS — Could I just add one thing: the blue-collar segment in particular which is a particular WIC code combines RCSA members and non-RCSA members, contract labour pools and good training schemes. So you have a very, if you want to call it, contaminated sample to work from. If you just look at the labour hire industry per se which might be represented by the RCSA, it is very difficult to pick that segment out of the figures that are published by the VWA.

**Mr CAMERON** — What is interesting is that the WIC codes are reduced by 55 per cent from last year. There are a whole range of reasons for that but indeed I think the removal of group retraining schemes, and whilst they placed on the record they would like to be separated, you will get any objections from this part of the team.

Mr JENKINS — As I understood until I listened to you today, there seemed a broad view by people right across, including in their submissions — and I was not as fearful as you seem to be about the general bent of all of those submissions — that the only general theme seemed to be that there was agreement there were shonks in the industry as well as legitimate players. If you do not agree there are shonks in the industry, you are the only one that I know of who believes that. I can tell you now that there are shonks in the industry. They should be gotten out, and natural attrition and your organisation are not doing that. Other than regulation, what is going to make that happen; or shall we have a certain group of employees working under shonks not being properly and adequately covered for the whole range of occupational health and safety insurance and superannuation? Do we wait until there is disaster before the industry fixes that up, or do you accept light-handed regulation?

Mr CAMERON — I think we have placed on the record and, from memory, we recognise that there are parties that are non-compliant within their industry, some more so than others. We would ask the first thing you consider to ask if that is disproportionate when considered against direct-hire employment. Whilst the implications within our industry may be greater — and that is arguable — we simply ask for some level of consideration against those direct-hire arrangements.

As an industry body we are significantly hamstrung, of course, by the trade practices laws in terms of our capacity to seek to get parties together to try and by certain means, let us say, make it more difficult for those shonks, for want of better terminology, to operate. We believe the future is going to be by ultimately addressing and educating the client base of the absolute risk associated with engagement such that the market will ultimately drive that. If indeed there is the introduction of regulation and/or licensing to address the shonks, we simply ask that it does not stifle those that are proper operators, and furthermore that maybe there is an opportunity to consider self-regulation for those. We would need to be able objectively give them straight enforcement as such, but indeed that self-regulation be an appropriate model, and for those shonks who choose to operate outside of that, then they are all yours.

Mr SHIELDS — Could I just add that the industry rating system we mentioned earlier is not conducive to improvement in the industry either. What is proposed next year by the VWA is for the people who provide labour hire to take the industry rate of the people to whom they supply labour. That would give a more accurate weighting of premium to the industries they are serving, and that might stop the people who are working on the fringe from undercutting perhaps some of the more responsible members of the labour hire industry.

The CHAIR — Thank you very much for your attendance. I will finish by saying two things. One is that we are working to a 31 December deadline, so we will be reporting by 31 December. We may be permitted to do some further work and have our report out subsequent to that, but that remains to be seen at this point in time; it will have to be confirmed. To the extent that we may recommend some form of registration or licensing scheme, the government's response is really the key factor in what happens in the development of that more so than

anything we necessarily do. All parliamentary committees put in recommendations that are then considered by Parliament. Just to straighten your thinking on that, it may be that that is something that is beyond the scope of what this committee can do, depending on the timing of reports. That is just a minor point, but we will wait and see how that emerges. Other than that, thank you for your time. As I said earlier, we really are flattered that you have come here today. We will send a copy of the transcript to you in about 10 days or two weeks. You can make some corrections and send them back. Thank you very much.

Committee adjourned.