

Protect your business and your workers

Information for horticulture businesses



If your horticulture business pays a company to provide contract workers to pick, pack or plant fruit or vegetables, you're probably using labour hire services.

Labour hire workers may also sort, label, grade, thin, prune or spray plants, or undertake other activities.

Under Victorian law, businesses that supply these workers generally require a labour hire licence. If you use an unlicensed labour hire provider, it could cost you – significant financial penalties, loss of contracts, workers, your reputation, even your business.

Host businesses that engage an unlicensed labour hire provider can face penalties exceeding:

- **\$650,000 for a corporation**
- **\$160,000 for an individual**

Victoria's Labour Hire Authority (LHA) protects labour hire workers from exploitation and improves the transparency and integrity of the industry through licensing, compliance and enforcement activities.

Horticulture hosts can protect themselves, and ensure compliance, by following some simple steps.

**Check and follow your current providers.
Always check the licence. It only takes a minute.**

Take two quick actions to protect your school and support a fairer labour hire industry:

1. Check the licences of your existing providers.
2. Subscribe to be notified of any changes to your providers' licence status



To access free tools and more information, visit:
labourhireauthority.vic.gov.au/host

Engaging a labour hire provider

1. Check the labour hire licence.

- Visit the Labour Hire Licence Register on the Labour Hire Authority (LHA) website.
- Locate the business by searching by name or ABN and tap 'View licence details'.
- Confirm the licence status is  Active.
- Note any licence conditions.

2. Verify the identity of the person and business.

- Check that the person you are dealing with is acting on behalf of the licensed business.
- Check their identification, role, and authority to act.
- Ask for evidence of company structure, hierarchy of control, and any sub-contracting.
- If in doubt, contact the nominated officer listed on the register for the licensed business.
- Do not rely on paper documentation, and keep records of all checks and their outcomes.

3. Establish a clear, lawful contract.

A signed, written contract should:

- properly identify the parties involved
- ensure correct wages and entitlements are paid
- set clear and specific expectations, including of compliance with all workplace laws
- limit and/or require pre-approval of sub-contracting
- require them to advise you of any changes to the business's compliance or licence status.

4. Follow your provider to stay up to date.

- Subscribe via the LHA website to receive real-time updates of any changes to the licence status.

ILLEGAL PHOENIX ACTIVITY

Hosts should be aware of illegal phoenix activity, where a company is liquidated, wound up or abandoned in a deliberate attempt to avoid paying its debts.

A new company is then started to continue the same business activities without the debts.

Illegal phoenix activity harms both businesses and workers:

- Legitimate businesses are put at a competitive disadvantage.
- Employees miss out on wages, super and entitlements.
- The community loses revenue that could contribute to community services.

LICENCE FRAUD

Licence fraud involves persons misrepresenting themselves as being a licensed provider.

It can expose hosts to the risk of involvement with criminal elements, and the risk of participating directly in unlawful conduct.

Licence fraud also increases the risk of harm to workers, including loss of wages or entitlements, while impacting licensed providers through unlawful competitive disadvantage.

Hosts should be aware of potential indicators of licence fraud, including:

- paper documentation that cannot be verified e.g. licences, bank statements, contact details
- any provider information that does not match the Labour Hire Licence Register
- bank account names which either do not match a licensed provider, or which frequently change.

Businesses can contribute to a level playing field for legitimate labour hire providers, protecting workers and improving the integrity of the labour hire industry by reporting issues such as attempted licence fraud to LHA using the Report a Problem tool.

In addition to taking enforcement action against unlicensed providers, LHA works with other agencies to detect, deter and respond to licence fraud.

Protect your business

Protect your business and check for potential red flags when engaging a labour hire provider.

Labour hire hosts can take steps to protect their businesses from illegal phoenix activity by looking out for the following signs:

- quotes lower than market value
- company directors previously involved with liquidated entities
- requests for payments to a new company or bank account
- changes to a company's directors and name, while the manager and staff remain the same.

REPORT A PROBLEM

labourhireauthority.vic.gov.au/report

Anyone with evidence of non-compliance with Victoria's labour hire law can make a report to LHA, including around issues such as:

- labour hire worker mistreatment
- unlawful behaviour, such as tax avoidance
- unlicensed providers advertising or providing labour hire services
- a business using an unlicensed provider.

Reports should include details such as business names and addresses, dates, relevant documents or evidence such as emails or screenshots.

MORE INFORMATION

labourhireauthority.vic.gov.au/hort-host

Visit the LHA website to access a range of guidance and information, LHA tools, and other resources for labour hire host businesses.

You can also contact LHA on 1300 545 200 or enquiries@labourhireauthority.vic.gov.au

