



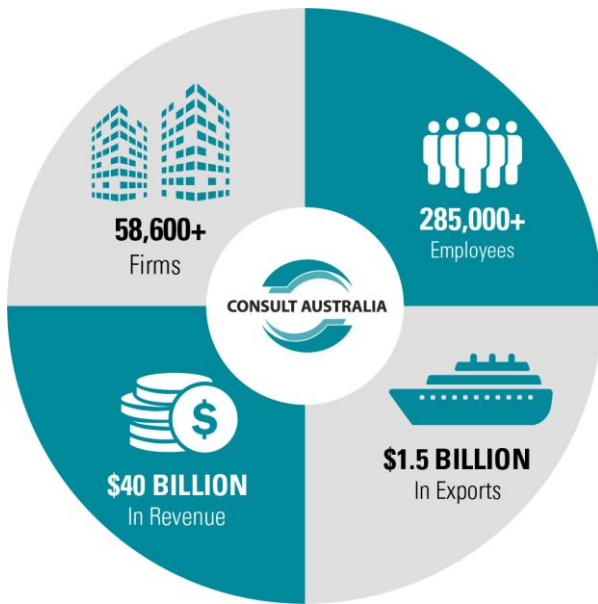
October 2025 Labour Hire Legislation Amendment (Licensing) Bill

**SUBMISSION TO VIC MINISTER FOR JOBS,
INDUSTRY AND INDUSTRIAL RELATIONS**

Consult Australia

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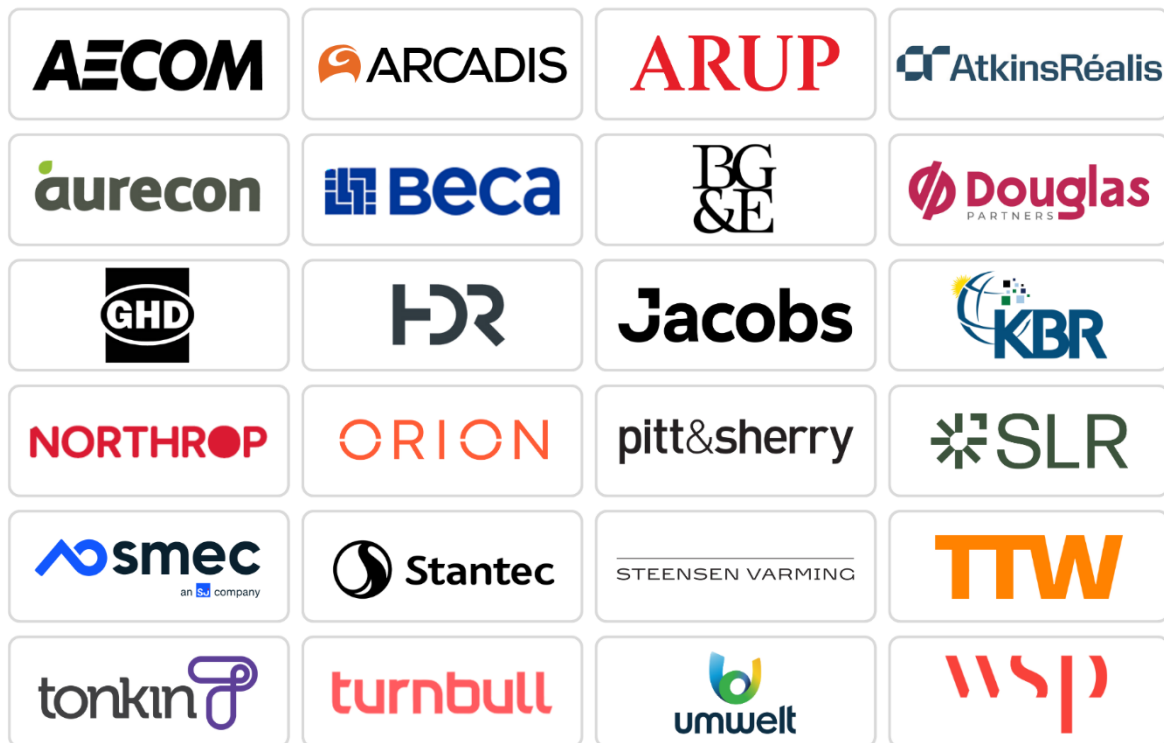
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About us

Consult Australia is the industry association representing consulting businesses in design, advisory and engineering, an industry comprised of over 58,600 businesses across Australia. This includes some of Australia's top 500 companies and many small businesses (97%). Our members provide solutions for individual consumers through to major companies in the private sector and across all tiers of government. Our industry directly employs over 285,000 people in architectural, engineering and technical services and many more in advisory and business support. It is also a job creator for the Australian economy; the services we provide unlock many more jobs across the construction industry and the broader community.

Our members include:



A full membership list is available on our [website](#).

Executive Summary

In response to the Victorian Labour Hire Legislation Amendment (Licensing) Bill 2025, Consult Australia provides this submission.

The members of Consult Australia have a vital role in the broader infrastructure and construction industry, delivering through the planning, design and delivery stages. The highly technical services our members provide are critical to deliver the government's priorities. With every design, advisory and engineering service provided by our membership, there is a positive impact on job growth, community connectivity and economic productivity.

The amendment of the labour hire licensing laws broadens the terminology, capturing more businesses and strengthening the powers of the regulatory compliance authority. Consult Australia does not support this broadening of the application, nor the broad application of the original Act because it unreasonably captures arrangements used by design, advisory and engineering consultancy businesses that were not the target of the original policy and are not the target of the current proposed reforms.

The original policy intent of the law was to protect vulnerable workers and promote integrity in the labour hire licensing industry. Of particular concern in 2018 were workers on visas, and/or lower income earners. There were no concerns about professional design, advisory or engineering specialists who are generally well remunerated. However, our members can be captured by the current scheme, which imposes significant unwarranted administrative burden on businesses.

The policy intent of the latest reforms is to deal with unlawful behaviour in the construction sector, once again there is no indication that professional design, advisory or engineering specialists need to be covered by the reform.

Consult Australia suggests that any necessary amendments be specific and targeted, to not burden other businesses with regulation that does not provide a community benefit.

We recommend that the Victorian Government rethink the current reforms and review the whole scheme to ensure more specific and well targeted regulation is achieved. Alternatively, the Victorian government should pause and work with other jurisdictions on a national scheme.

Purpose of the laws

Labour hire laws were introduced in various jurisdictions, including Victoria, to protect vulnerable workers from exploitation, and to promote the integrity of the labour hire industry. There were specific concerns about certain industries including where workers were on visas, and/or lower income earners. We agree with this original policy intent.

There were no concerns about professional design, advisory or engineering specialists who are generally well remunerated. However, the current Victorian labour hire licensing scheme can capture design, advisory and engineering consultancy firms when providing staff members to clients for projects. This places unreasonable burdens on these businesses. It is hard to see how the workers or the clients of these businesses see any benefit from them being caught by labour hire licensing.

Consult Australia understands that the latest amendments are driven by the Formal Review into Victorian Government Bodies' Engagement with Construction Companies and Construction Unions (the Wilson Review). However, any new reform should be specific and targeted to address the practices of concern.

How a consulting business can be captured

Consult Australia members do not provide labour hire service as a core function of their business. However, they are frequently caught by a technical reading of the current Victorian legislation. Due to the drafting of labour hire laws, some workforce arrangements undertaken by a design, advisory, or engineering consulting business could be captured, requiring the business to have a labour hire licence.

For example, Consult Australia members can:

- supply a worker to perform work within another organisation – for example, a client's office under the direction and control of a client.
- use/engage a worker from another organisation – for example, to perform work under direction of the business.

Several members have noted that their workers are often engaged through labour hire firms, to fulfil specialist roles for clients, and are captured twice by the regime (that is both the labour hire firm supplying the workers must hold a licence and the Consult Australia member must also hold a licence).

For clarity, the exemptions available in the current Victorian legislation are not comprehensive because they fail to exempt all arrangements that involve our members. Similarly, the definition of 'labour hire worker' of the Act does not exempt our members. Consult Australia's preferred approach is an explicit exemption for businesses whose core business is not labour hire.

The cost to business

Consult Australia argues that the burden of reporting and applying for a licence far outweighs the risk of exploitation of the professional services workers provided by engineering, design, and advisory consultancy businesses.

While the licensing fees are relatively modest, the time costs are significant and occupies the attention of critical and busy staff. The reporting is annually for Vic. Our members have estimated the cost of reporting 10 arrangements across Vic to be more than \$200,000 and often requires two to three months' work per reporting period. The process of identifying and capturing these arrangements is manual and cumbersome because the service offering is not core business.

The steps and resources of the business typically needed for reporting at various stages are set out below.

For the application stage:

- Audit of all relevant arrangements, needing:
 - 2-3 members of the internal legal team
 - 2-3 administrative staff
 - external legal advice required for niche arrangements
 - involvement of the Regional Operations Director to identify projects.
 - interaction with project managers for all identified projects (could be 20+ individuals).
- Application and relevant person checks, needing:
 - 1-2 members of the internal legal team
 - 2-3 administrative staff
 - involvement of Directors and Company Secretary

- involvement of Regional Operations Director.

For the renewal stage:

- Audit of all relevant arrangements, needing:
 - 2-3 members of the internal legal team
 - 2-3 administrative staff
 - external legal advice required for niche arrangements
 - involvement of the Regional Operations Director to identify projects.
 - interaction with project managers for all identified projects (could be 50+ individuals).

For submission

- 1-2 members of the internal legal team
- involvement of a Director, or the Company Secretary
- involvement of Regional Operations Director.

It is reasonable to assume that where a business incurs such compliance costs because of client requirements (including government clients), that cost will inevitably need to be passed on in some way.

Recommendations

Consult Australia recommends that the Victorian Government rethinks its reform to ensure specific and well targeted labour hire licensing laws, which explicitly define which industries need regulatory intervention. Consult Australia requests a clear and explicit exemption for businesses providing professional services such as design, advisory and engineering services.

A nationally consistent approach

Consult Australia notes the future intent of a single national labour hire licensing scheme that would replace existing state and territory labour hire licensing schemes to ensure a single set of regulatory obligations apply to labour hire providers across Australia. Consult Australia supports this approach.

While Workplace Relations Ministers have agreed to publish the endorsed model and senior officials were tasked with developing a strategy for consultation with business, industry, unions and other stakeholders – these have not yet been released. Consult Australia urges the Victorian government to progress the national scheme rather than progress with specific reforms that are inconsistent with other jurisdictions.

To be clear, Consult Australia would advocate that the national scheme should only cover the industries needing regulatory intervention.

Contact

We would welcome any opportunity to further discuss the issues raised in this submission. Please contact Mark Rogers, Vic & Tas Manager in the first instance at mark@consultaaustralia.com.au.



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Thanks to our Industry Champions

For their outstanding leadership and engagement on behalf of the industry.



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