

Media Release



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RECORD FINE FOR VICTORIAN LABOUR HIRE COMPANY IN SUPREME COURT DECISION

An unlicensed labour hire company has been issued a total penalty of \$617,916 – the highest in Australian history for breaches of labour hire law – following a successful prosecution by Victoria’s Labour Hire Authority (LHA).

A L Star Express Pty Ltd was found to have knowingly and repeatedly contravened the *Labour Hire Licensing Act 2018* (Vic) when it supplied labour hire workers to four separate horticulture businesses, without holding a labour hire licence.

The workers were provided to pick fruit and vegetables and perform other horticulture tasks in Victorian regions including Rosebud, Koo Wee Rup, Torquay and Devon Meadows.

In its judgement, the Supreme Court of Victoria noted that the contraventions “must be characterised as serious”, that the penalty “needs to be sufficiently high not to be the ‘price of doing business’”, and that licensing obligations could not be avoided by supplying workers through an intermediary business.

“I refer to the knowing and repeated nature of the contraventions, and the extent of the contraventions, namely over several months, and affecting at least sixteen workers,” the Court stated in its judgement.

The decision is the latest outcome in a series of LHA legal actions in the horticulture industry, including:

- a case filed in July 2023 alleging a company engaged unlicensed providers to source workers for farms in the Cobram area
- a second case filed in July 2023 for multiple alleged breaches of company director obligations by a company supplying workers to regions including the Yarra Valley and Koo Wee Rup
- a successful prosecution in December 2022 of a company supplying workers to the Yarra Valley, for failing to inform LHA of a director’s criminal convictions.

As well as prosecuting alleged contraventions of the Act, LHA can remove labour hire providers’ ability to operate in Victoria by refusing, suspending, or cancelling licences.

Horticulture work such as fruit and vegetable picking often involves the use of labour hire workers, including workers on visa programs, who have historically experienced exploitation in Victoria.

Quotes attributable to Labour Hire Licensing Commissioner, Steve Dargavel:

“Labour hire workers picking fruit and vegetables are among Victoria’s most vulnerable, so it’s critical that the companies employing them are appropriately vetted and licensed to operate.”

“Dodgy labour hire providers who pay workers as little as \$17 an hour have no place in our industry and will be held to account.”

“Ensuring all Victorian labour hire companies are licensed is an essential way of protecting workers and improving the fairness and integrity of the industry.”

“Significant penalties also apply for engaging unlicensed labour hire providers, so Victorian businesses should always check the LHA website to ensure their provider holds a current licence.”

For any queries on this release, contact LHA’s media team on 0400 301 840 or communications@labourhireauthority.vic.gov.au

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