# Media Release



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### LABOUR HIRE COMPANY FACES SUPREME COURT ACTION OVER ALLEGEDLY UNLAWFUL CHANGES IN DIRECTORS

## The Labour Hire Authority (LHA) has commenced legal action in the Supreme Court of Victoria against a company that allegedly provided workers to farms in the Yarra Valley and Koo Wee Rup.

LHA alleges that Monorom Labours Power Pty Ltd failed to notify the regulator of multiple changes in directors, and that one director was not a fit and proper person to operate a labour hire company.

Breaches alleged in the case carry penalties exceeding \$600,000 for a company and \$150,000 for an individual, under the *Labour Hire Licensing Act 2018* (Vic).

The regulator is seeking individual penalties against two directors – Saravong Tath and Visal Leab – as well as penalties against the company.

It is alleged that Tath was a director of two companies placed into administration in the previous five years, meaning he was not a fit and proper person to be a director of a labour hire provider under the Act.

The company also allegedly made numerous changes in directors and secretaries over a six-month period in 2022, without notifying LHA – a further contravention of the Act.

The legal action is part of an LHA compliance and enforcement program targeting high-impact harms to workers, and industries including horticulture, meat processing, commercial cleaning and security.

Recent LHA actions in Victoria's horticulture industry include:

- a successful prosecution in December 2022 against a horticulture company and its director, resulting in the largest ever total penalty for breaches of labour hire law in Australian history
- proceedings filed in the Supreme Court of Victoria in May 2023, alleging an unlicensed company provided workers to pick fruit and vegetables in several Victorian regions
- a case filed in the Supreme Court of Victoria in July 2023, alleging a company sourced workers through unlicensed labour hire providers for orchards in the Cobram area
- a range of licensing actions against labour hire businesses operating in regional Victoria.

The Labour Hire Authority oversees Victoria's labour hire licensing scheme, which was introduced following findings of widespread exploitation and unlawful activity in the industry.

#### Quotes attributable to Labour Hire Licensing Commissioner, Steve Dargavel:

"Ensuring we have fit and proper people running Victorian labour hire companies is an important way of protecting workers and improving the industry's integrity."

*"Labour hire workers in the horticulture industry are among Victoria's most vulnerable, so the industry is a key focus for our expanded compliance and enforcement program."* 

For any queries regarding this release, please contact the Labour Hire Authority Media Team on 0400 301 840 or <u>communications@labourhireauthority.vic.gov.au</u>

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