## Media Release



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## RECORD PENALTY ISSUED TO CONSTRUCTION COMPANIES AND DIRECTORS IN VICTORIAN LABOUR HIRE CASE

A total of \$759,674 in penalties has been issued to five construction companies and three company directors for their involvement in unlicensed labour hire operations in Victoria.

The outcome represents the largest ever total penalty for breaches of labour hire law in Australia, reflecting unlawful conduct by companies and individuals across multiple layers of sub-contracting.

The Supreme Court of Victoria held that construction company Rocktown Pty Ltd had engaged two companies to supply workers, which engaged two further companies to supply workers, and that none of the companies held a labour hire licence.

Under the *Labour Hire Licensing Act 2018* (Vic), it is unlawful to provide labour hire services without a licence, or to engage an unlicensed labour hire provider.

The successful prosecution is the latest outcome in a campaign by Victoria's Labour Hire Authority (LHA) targeting complex supply chains, which can be used to conceal worker exploitation and unlawful conduct.

As well as prosecuting contraventions of the Act, LHA can prevent labour hire providers from operating in Victoria by refusing, suspending or cancelling licences.

## Contraventions and penalties

- Rocktown Pty Ltd engaged two unlicensed labour hire providers to supply workers to undertake work on prefabricated concrete for use in construction. **Penalty: \$101,774**
- Unlicensed providers Unitted Construction Pty Ltd and Unitted Landscaping Pty Ltd engaged two further unlicensed providers to on-supply workers to Rocktown. Penalty: \$116,314 per company
- Those providers, Century Interior Service Pty Ltd and VL Building Pty Ltd, supplied labour hire workers while unlicensed. Penalty: \$174,470 per company
- Company directors Ejup Ademi, Qizhi Zhang and Vincent Lin contravened the Act through their involvement in their companies' contraventions. Penalty: \$25,444 per person

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

"While sub-contracting can be lawful, it can also be used to conceal worker exploitation, the involvement of people who are not fit and proper, and a range of other unlawful conduct."

"Labour hire licensing provides a range of important checks and balances, on companies and the people running them, so significant penalties apply for operating without a licence."

"Businesses operating in Victoria should always check the LHA website to ensure every labour hire provider in their supply chain holds an active licence."

For any queries regarding this release, contact LHA's communications team on 0455 272 240 or communications@labourhireauthority.vic.gov.au

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