

Government response to the Formal Review into Victorian Government Bodies' Engagement with Construction Companies and Construction Unions

#	Recommendation	Government response	Proposed implementation approach
1	That government establish a complaints referral body to receive and refer complaints relating to Victorian government construction sites	Support	A referral function will be established in Industrial Relations Victoria. A new entity will not be established at this time to allow speed of establishment.
2	That government establish an alliance involving state and federal law enforcement and regulators and other relevant entities with a role in addressing allegations of criminal or unlawful conduct on Victorian government construction sites. This alliance should share information, coordinate action and inform government of emerging issues on these sites	Support in principle	The Victorian Government supports the establishment of an alliance to coordinate entities. Industrial Relations Victoria will coordinate Victorian Government law enforcement and regulators to participate in the alliance, in consultation with the Commonwealth Government.
3	<p>That government amends the <i>Labour Hire Licensing Act 2018</i> to add the following discretionary considerations to the fit and proper person test, so the Authority may find that an applicant is not a 'fit and proper person' if the applicant:</p> <ul style="list-style-type: none"> • has any conviction or finding of guilt for an indictable offence, other than those specified in s22(a) in the previous 10 years • held any role as an officer in other companies in the previous 5 years where that company became insolvent or had a labour hire licence cancelled, suspended or revoked within 6 months of that person's departure from the company 	Support	The fit and proper person test will be broadened as part of amendments being made to the <i>Labour Hire Licencing Act 2018</i> . During this process, consideration will be given to consistency with other jurisdictions that have labour hire schemes and proposed national labour hire reforms.

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	<ul style="list-style-type: none"> • has a close associate who would not be found to be a 'fit and proper person' • is a member of a Part 5C organisation as defined in the <i>Criminal Organisations Control Act 2012</i> 		
4	That government amend the Labour Hire Licensing Regulations, to define certain activities connected to construction to be work within the construction industry. This would ensure clarity about when providing workers in connection with a construction site bought an organisation within the remit of the Labour Hire Authority.	Support in principle	Legal advice and consultation with industry is required to ensure that this recommendation can be acquitted without risking some forms of labour supply or construction activities falling outside of the regulations. Following this advice, changes may be included as part of amendments to the <i>Labour Hire Licencing Act 2018</i> .
5	That government amend the <i>Labour Hire Licensing Act</i> to give the Authority the power: <ul style="list-style-type: none"> • to request in writing that a person provide information or documents that the Authority reasonably believes is necessary for monitoring compliance with the <i>Labour Hire Licensing Act</i>. This request should provide its recipient with the authority to provide the information, and preserve the recipients right to refuse to provide the information; and • to require, by written notice, that a person provide specified information for the purpose of monitoring compliance with the <i>Labour Hire Licensing Act</i> within the time specified and in the manner specified. Failing to comply with a notice should be an offence. 	Support	These changes will be included as part of amendments being made to the <i>Labour Hire Licencing Act 2018</i> .
6	The government amend the <i>Labour Hire Licensing Act 2018</i> to enable the Register of Licenced Labour Hire Providers to include	Support	These changes will be included as part of amendments being made

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	contextual information in relation to suspensions and cancellations of licences. Publication should be limited to information that is not confidential under other state or federal laws, and information that does not breach the privacy of people other than the licence holder.		to the <i>Labour Hire Licencing Act 2018</i> .
7	That construction policies and contracts for Victorian Government-funded construction projects include clauses that cover <i>criminal or other unlawful conduct</i> that require principle contractors to: <ul style="list-style-type: none"> • report any suspected criminal or other unlawful conduct to the new complaints referral body • ensure that where possible, they and their contractors act to address criminal and unlawful conduct • promote, support and work with the new complaints referral body • have systems and processes in place to fulfill these obligations with respect to the overall construction project, including its subcontractors 	Support	The Department of Treasury and Finance (DTF) will work with agencies to ensure that construction policies and contracts are updated.
8	That the implementation of these recommendations and their impact be evaluated two years after delivery of this Review, and that government consider whether future reforms are needed to provide Victorian government bodies with the powers to investigate and respond to allegations of criminal or other unlawful conduct in the Victorian construction sector.	Support	The reforms will be reviewed in late 2026.