Questions to ask a recruitment or on-hire firm prior to engagement of services in Australia



Recruitment and on-hire worker service firms are a great way of complementing your business or organisation, however, as with any service, determining which firm to use should be more than a decision regarding which will provide you with the cheapest charge rate.

Recruitment and on-hire firms have differing degrees of compliance with employment and work health and safety law, different internal management systems and different ways of providing the services. It is important that potential users of recruitment and on-hire firms properly assess the capacity of the firm to deliver the service they are promising.

This questionnaire can be a useful tool to assist your organisation to decide which firm to use.

The following pages contain a list of questions to consider asking recruitment or on-hire firms prior to engaging them to support your business.

Some of the questions are only relevant to recruitment placement services and some are only relevant to on-hire services. Recruitment placement refers to the firm sourcing candidates for your organisation to employ or engage directly. On-hire is where the on-hire firm engages the individual and on-hires that individual to work for your organisation on assignment (no employment relationship between your organisation and the worker).

Application	Questions to ask Recruitment and On-hire Firms	Comments	Warning Signs	
Recruitment Placement Only	Do you have a license to provide recruitment services in this State?	Recruiters in ACT, SA and WA require a license to work in the Recruitment sector. Although recruiters in NT, TAS and VIC do not require a licence to operate, certain recruitment practices may be impacted by other licensing regimes, for example private security operations. Appendix A lists the relevant statutory provisions regarding when a license may be required.  There are circumstances where this does not apply and consideration should be made for any exemptions in place.	Not knowing about the relevant Acts or licensing requirements may mean they are ineligible to recruit in your state.	
Recruitment Placement and On-hire	Are you a member of the Recruitment and Consulting Services Association (RCSA)?	RCSA's Code for Professional Conduct provides a framework for establishing good professional practice. It is supplemented by professional practice standards and by extensive training, education and Ethics Registrar support. RCSA may impose sanctions and/or specific orders upon a non-compliant member.	A recruitment or on-hire firm which is not an RCSA member may be missing out on the professional knowledge and industry standards that guide good business practices.	
On-hire Only	Do you hold a current workers compensation insurance policy within the relevant State or Territory where the worker is on-hired to work?	There are legal obligations to take out workers compensation insurance where employers employ 'workers' (including some independent contractors) and penalties may apply for not complying with such laws. Remember that on-hire employees are their employees not yours.	Not being able to produce an insurance 'certificate of currency' should send alarm signals to you that this may not be a reputable firm.	
On-hire Only	Does your firm have a return to work and rehabilitation program in place for injured workers, including on-hire workers?	Each State and Territory places different obligations upon employers to facilitate the return to work and rehabilitation of injured workers (including on-hire workers) and in some circumstances requires an employer to appoint a Return to Work Officer.	On-hire employees are employees of the on-hire firm, not your organisation. If they are injured at your workplace and the on-hire firm does not have return to work systems in place, the worker may struggle to return to work.	
On-hire Only	Do you understand and comply with your work health and safety (WHS) responsibilities and obligations, and will you work with us to maintain WHS for any on-hire workers you provide to our organisation?	Statutory WHS obligations, such as providing a safe working environment, are owed to both internal employees and contractors, such as recruitment consultants, as well as onhire employees and contractors. These obligations are nondelegable, overlap with your organisation's obligations and are contained in each State and Territory WHS Act. WHS obligations are extensive and there are significant penalties and liabilities for both you, as a host organisation, and the on-hire firm for non-compliance.	On-hire firms that skim over WHS responsibilities, or produce generic documents or statements regarding WHS, may not have effective systems in place to support the WHS needs of an on-hire worker at your company site.  Ask to see evidence of WHS processes and systems.	

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On-Hire Only	Will you conduct pre-placement assessments of our workplace to assess the WHS management system and environment?	All employers are required to provide a safe working environment. A pre-placement client safety system assessment and workplace verification walk through are an important way of determining whether the on-hire firm values the safety of their on-hire workers and maintains a good understanding of their WHS obligations and responsibilities.	On-hire firms that do not conduct onsite assessments may either not have an understanding of their WHS obligations or do not have the personnel to support such a responsibility.	
On-Hire Only	Are representatives of your firm responsible for WHS assessments, trained in how to undertake a pre-placement WHS assessment and undertake risk assessments?	Employers must ensure that representatives carrying out WHS assessments of client workplaces, and their own workplaces, are trained to perform the function competently and completely.	A lack of trained personnel or use of a specialised service provider could render the WHS assessments sub-standard.	
On-Hire Only	Does your firm provide on-hire workers with training on WHS and the prevention of bullying, harassment and discrimination at work?	Employers are responsible for the training and instruction of employees in WHS and EEO, including on-hire employees, and should ensure they are providing training, or guidance, to employees before the commencement of an assignment to your organisation.	If the on-hire worker is not given training prior to commencing work with you on assignment, they may have missed out on core workplace information.	
On-Hire Only	What communication practices are in place for on-hire workers regarding  • Notification of absences?  • Resignations?  • Leave requests?  • Performance issues?	Many workplace issues can be prevented with strong communication protocols in place between the on-hire firm and your organisation.	Vague statements and comments like "we talk to you when we need to" should raise concerns regarding their capacity to deal with workplace issues in a timely manner.	
On-Hire Only	Does your firm use contracts or an enterprise agreement to govern the employment of your on-hire workers or contractors?	Contracts of employment and independent contracting contracts assist employers and employees to understand the fundamentals of the employment relationship and what is expected of one another. Contracts of employment also define the type of employment being entered in to and provide protection from claims by employees during and following employment.	A lack of formality surrounding the employment relationship could result in issues if the employment relationship breaks down.	

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On-Hire Only	Does your firm know which awards legally cover your on-hire employees?	Most employees are covered by a Modern Award. Despite the fact that they may be paying over and above the minimum award rate of pay, this does not mean that all other award entitlements will not apply.	Referring to old (expired) awards or failing to identify the award that lawfully applies to on-hire work at your organisation may result in breaches of awards.	
On-Hire Only	Will your firm outline the minimum terms and conditions of employment under awards and legislation for your on-hire employees, and discuss any obligations you must uphold?	The failure to provide employees with the correct terms and conditions of employment can result in significant back pay claims as well as large penalties.	Outlining overtime, penalties and other rates that may be applicable to on-hire employees assigned to you, from the outset, ensures your organisation understands its financial obligations. On-hire firms that provide a flat rate regardless of the type of work, hours or days worked may be breaching awards and other employment conditions.	
Recruitment Placement and On-Hire	Does your firm have a public liability insurance policy that covers both recruitment placement and on-hire worker services?	Many general public liability policies do not cover the activities of on-hire worker services. It is important that firms have an insurance policy that reflects the unique business and business risks related to recruitment and on-hire work.	Not being able to produce an insurance 'certificate of currency' should send alarm signals to you that this may not be a reputable firm.	
Recruitment Placement and On-Hire	Does your firm ensure candidates and on-hire workers have the right to work in Australia?	It is a criminal offence to knowingly or recklessly allow a worker to work within Australia without the right under immigration law, or to refer a candidate for work. Individuals and companies convicted of these offences face fines and/or imprisonment.  Visa requirements are very strict and workers and candidates should be vetted to ensure they are able to work in Australia.	Recruitment and on-hire firms should be able to advise you of the processes they take to assess workers rights to work in Australia. Concerns should be raised if copies of visa's or birth certificates are not asked for.	
Recruitment Placement and On-Hire	Does your firm have a Client Service Agreement or other terms of business to govern the services you are proposing to provide us?	When a recruitment or on-hire firm provides services to your organisation, you will be entering in to a contractual relationship. If you don't have written terms and conditions of business that have been appropriately drafted for all types of service it will be very difficult to enforce the contract in the event of a dispute over fees and other conditions of service.	A client service agreement should be sighted and signed prior to work being carried out for your company.  Make sure you read it carefully as it will become a legally enforceable contract.	

Application	Questions to ask Recruitment and On-hire Firms	Comments	Warning Signs
Recruitment Placement and On-Hire	When and how are reference checks and qualification checks completed?	A firm's failure to lawfully and ethically conduct reference checking may, among other things, result in circumstances where candidates are incorrectly placed and/or on-hire workers are incorrectly assigned.	A firm that cannot provide a statement regarding how they perform reference, qualifications and skills checks should raise concerns about the thoroughness of their service.
On-Hire Only	Does your firm have policies and procedures which outline the responsibilities and obligations of your on-hire workers, including grievance and complaints resolution procedures for the orderly resolution of complaints?	Policies and procedures are an effective way of reinforcing workplace standards and aiding workforce management. They must be carefully written as they may also impose additional obligations on the recruitment firm and your organisation as the host.	A list of the type of policies and procedures that should be considered are attached as Appendix B.

## Why use a RCSA Member?

Employment is an issue fraught with challenges. Whether hiring a new employee, finding a temporary or contract worker, or searching for a new job, you need to be assured that the company and individual you are dealing with is taking the issue as seriously as you. Legal compliance, issues of work health and safety, issues of corporate and candidate privacy, and the importance of a strong, proven recruitment process are all needed to ensure that not only is the candidate right for the job, but the job is right for the candidate.

The benefit of using a recognised recruitment and on-hire firm is in the breadth of knowledge and experience that they can bring to your recruitment process. RCSA Corporate Members, including their staff, and Individual Members, who display the post nominals APRCSA, MRCSA and FRCSA, are committed, as part of their Membership, to abiding by the Code for Professional Conduct (ACCC authorised in Australia and endorsed by the Commerce Commission in New Zealand) which lays down standards for confidentiality and privacy; honest dealings; respect for work relationships; respect for laws; respect for safety; respect for certainty of engagement; and professional knowledge.

The Code is publicly available at www.rcsa.com.au

## How to find a RCSA Member?

To find a Corporate Member go to www.rcsa.com.au > Membership > RCSA Corporate > Member Directory. To find an Individual Member go to www.rcsa.com.au > Membership > Individual > Member Directory. Or call RCSA on  $\pm$ 61 3 9663 0555

## Appendix A

	Statutory Provisions		Licence	On-hire Exempt
ACT	Agents Act 2003 and Regulations	1	Yes	No
NSW	Fair Trading Act 1987 and Regulations	1	No	No
NT	Commercial and Private Agents Licensing Act 2000 and Regulations	2	Yes	No
NZ	Private Investigators and Security Guards Act 1974	2		
QLD	Private Employment Agents Act 2005 and Regulations	1	No	Yes
SA	Employment Agents Registration Act 1993 and Regulations	1	Yes	No
TAS	Security and Investigations Agents Act 2002 and Regulations	2	Yes	No
VIC	Private Security Act 2004 and Regulations	2	Yes	No
WA	Employment Agents Act 1976 and Regulations	1	Yes	Yes

<sup>^</sup>Type

## Appendix B

A list of policies and procedures that you may wish to discuss with an on-hire firm include the following (alphabetical order):

- 1. Alcohol and Other Drugs at Work Policy
- 2. Anti-Bullying and Workplace Violence Policy\*
- 3. Anti-Discrimination and Harassment (EEO) Policy\*
- 4. Company Code of Conduct
- 5. Discrimination and Harassment Complaints Resolution Procedure\*
- 6. Email and Internet Use Policy\*
- 7. New Worker Induction Procedure
- 8. OHS Issue Resolution Procedure (OHS and Bullying)\*
- 9. OHS Policy\*
- 10. Performance and Conduct Management Policy
- 11. Privacy Policy\*
- 12. Recruitment Policy
- 13. Reference Checking Policy
- 14. Return to Work and Rehabilitation Policy\*
- 15. Staff Issues Resolution Procedure
- 16. Workforce Monitoring Policy
- 17. Workplace Dress Standards Policy

\*The existence and use of these policies will demonstrate a thorough approach to workforce management and should be assessed against your own policies to ensure consistency in application.

Type 1 Regulation – Specific to employment agents.

Type 2 Regulation - No specific employment licensing requirement, although agents continue to be regulated by other licensing regimes.

