Questions to ask a recruitment or labour hire firm prior to engagement of services in New Zealand



Recruitment and labour 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 labour hire firms have differing degrees of compliance with employment and health and safety law, different internal management systems and different ways of providing the services. It is important that potential users of recruitment and labour 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 labour 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 labour hire services. Recruitment placement refers to the firm sourcing candidates for your organisation to employ or engage directly. Labour hire is where the labour hire firm engages the individual and contracts with that individual to work for your organisation on assignment (usually no employment relationship between your organisation and the worker).

Application	Questions to ask Recruitment and Labour Hire Firms	Comments	Warning Signs
Recruitment Placement and Labour 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 support with ethical issues. RCSA may impose sanctions and/or specific orders upon a non-compliant member.	A recruitment or labour hire firm which is not an RCSA member may be missing out on the professional knowledge and industry standards that guide good business practices.
Labour Hire Only	Does your firm have a return to work and rehabilitation program in place for injured workers, including labour hire workers?	The law places obligations upon employers to facilitate the return to work and rehabilitation of injured workers (including labour hire workers) and in some circumstances requires an employer to appoint a Case Manager.	Labour hire employees are employees of the labour hire firm, not your organisation. If they are injured at your workplace and the labour hire firm does not have return to work systems in place, the worker may struggle to return to work.
Labour Hire Only	Do you understand and comply with your health and safety (H&S) responsibilities and obligations, and will you work with us to maintain H&S for any labour hire workers you provide to our organisation?	Statutory H&S obligations, such as providing a safe working environment, are owed to both internal employees and contractors, such as recruitment consultants, as well as labour hire employees and contractors. These obligations are non-delegable, overlap with your organisation's obligations and are contained in H&S law. H&S obligations are extensive and there are significant penalties and liabilities for both you, as a host organisation, and the labour hire firm for non-compliance.	Labour hire firms that skim over H&S responsibilities, or produce generic documents or statements regarding H&S, may not have effective systems in place to support the H&S needs of a labour hire worker at your company site. Ask to see evidence of H&S processes and systems.
Labour Hire Only	Will you conduct pre-placement assessments of our workplace to assess the H&S 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 labour hire firm values the safety of their labour hire workers and maintains a good understanding of their H&S obligations and responsibilities.	Labour hire firms that do not conduct onsite assessments may either not have an understanding of their H&S obligations or do not have the personnel to support such a responsibility.
Labour Hire Only	Are representatives of your firm responsible for H&S assessments, trained in how to undertake a pre-placement H&S assessment and undertake risk assessments?	Employers must ensure that representatives carrying out H&S 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 H&S assessments sub-standard.

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Labour Hire Only	Does your firm provide labour hire workers with training on H&S and the prevention of bullying, harassment and discrimination at work?	Employers are responsible for the training and instruction of employees in H&S and EEO, including labour hire employees, and should ensure they are providing training, or guidance, to employees before the commencement of an assignment to your organisation.	If the labour hire worker is not given training prior to commencing work with you on assignment, they may have missed out on core workplace information.
Labour Hire Only	What communication practices are in place for labour 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 labour 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.
Labour Hire Only	Does your firm use employment agreements to govern the employment of your labour hire workers or contractors and do they include a provision in terms of which they expressly accept they are your employees?	Employment agreements and independent contractor agreements assist employers and employees to understand the fundamentals of the employment relationship and what is expected of one another. Employment agreements 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 relationship breaks down and could assist any claim that the labour hire worker was not actually employed by the labour hire firm but by you, based on the law relating to triangular employment relationships.
Labour Hire Only	Does your firm have a system for dealing with the workers' management, discipline and dismissal?	Where possible, any issues regarding the terms of a worker's placement, and their pay, management, discipline and dismissal should be dealt with by the employer provider and not the end user.	A lack of such a system could increase the risk of you being seen as the employer in terms of the law relating to triangular employment relationships.
Labour Hire Only	Will your firm outline the minimum terms and conditions of employment under legislation for your labour 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 labour hire employees assigned to you, from the outset, ensures your organisation understands its financial obligations. Labour hire firms that provide a flat rate regardless of the type of work, hours or days worked may be breaching the law.

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Recruitment Placement and Labour Hire	Does your firm have a public liability insurance policy that covers both recruitment placement and labour hire worker services?	Many general public liability policies do not cover the activities of labour hire worker services. It is important that firms have an insurance policy that reflects the unique business and business risks related to recruitment and labour 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 Labour Hire	Does your firm ensure candidates and labour hire workers have the right to work in New Zealand?	It is a criminal offence to knowingly or recklessly allow a worker to work within New Zealand 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 New Zealand.	Recruitment and labour hire firms should be able to advise you of the processes they take to assess workers rights to work in New Zealand. Concerns should be raised if copies of visas or birth certificates are not asked for.
Recruitment Placement and Labour 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 labour 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.
Recruitment Placement and Labour 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 labour 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.
Labour Hire Only	Does your firm have policies and procedures which outline the responsibilities and obligations of your labour 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 A.

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 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 labour 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; which is authorised by the Australian Competition and Consumer Commission.

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 +61 3 9663 0555

Appendix A

A list of policies and procedures that you may wish to discuss with a labour 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 Policy*
- 5. Discrimination and Harassment Complaints Resolution Procedure*
- 6. Email and Internet Use
- 7. Health & Safety Policy*
- 8. New Worker Induction Procedure
- 9. Performance and Conduct Management Policy
- 10. Privacy Policy*
- 11. Recruitment Policy
- 12. Reference Checking Policy
- 13. Return to Work and Rehabilitation Policy*
- 14. Staff Issues Resolution Procedure
- 15. Workforce Monitoring Policy
- 16. 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.

