

## **Senate Standing Committee on Education and Employment**

### **QUESTIONS ON NOTICE Budget Estimates 2017 - 2018**

#### **Cross Portfolio**

**Department of Employment Question No. EMSQ17-004258**

**Senator Marshall provided in writing**

#### **Question**

##### **Labour Hire - Use of Plutus**

- Do any of these labour hire companies use Plutus?
- When did the Department become aware that there was a problem with Plutus in connection with the Department?
- When was the Minister advised?
- What steps have been taken to avoid a repeat and are there other payroll companies operating as agents of IT and other contractors?

#### **Answer**

The Department became aware of the general issue relating to Plutus payroll impact on contractors in mid-May when the issue attracted media attention. In the week of 21 May the Minister requested advice from the Department. The Department provided general advice in the preparation for Budget Estimates, held at the start of the following week.

The Department was able to confirm specific instances of Plutus payroll issues impacting its contractors on 26 May 2017. As at late July the Department is aware of three contractors with outstanding Plutus issues, relating to superannuation for the month of March 2017. The Department is offering assistance to these contractors to resolve the outstanding issues.

The payroll functions for labour hire arrangements are primarily the responsibility of the labour hire firms and their contractors. The Department will continue to include a requirement in its labour hire arrangements for the parties to abide by relevant laws, which provides legal standing for the Department to engage, if required, on taxation or superannuation issues impacting its contractors.