Impact Analysis Statement

Summary IAS

Details

Lead department	Department of State Development, Infrastructure and Planning
Name of the proposal	*Private Employment Agents (Code of Conduct) Regulation 2026*, which replaces the *Private Employment Agents (Code of Conduct) Regulation 2015*
Submission type	Summary IAS
Title of related legislative or regulatory instrument	*Private Employment Agents Act 2005*
Date of issue	2 July 2026

What is the nature, size and scope of the problem? What are the objectives of government action?

The activities of private employment agents are regulated by the *Private Employment Agents Act 2005* (PEA Act) and the *Private Employment Agents (Code of Conduct) Regulation 2015* (PEA Regulation 2015).

The objective of the PEA Regulation 2015 is to provide a framework that:

1. promotes ethical conduct by private employment agents in their dealings with work seekers and others as part of the business of a private employment agent; and
2. encourage the provision by private employment agents of high quality placement and recruitment services for work seekers and persons looking for workers.

The PEA Regulation 2015 provides protection to work seekers by providing for a Code of Conduct and specifying what is/is not appropriate in the industry and provides for penalties to deter non-compliance.

As the PEA Regulation 2015 has been in operation for 10 years, statutory principles require that a 'sunset review' be undertaken to evaluate the continuing need for, and effectiveness and efficiency of the regulation. The Office of Industrial Relations has conducted a sunset review of the PEA Regulation 2015 which concluded that the provisions are still necessary. The power and information imbalance that the PEA Act and the PEA Regulation 2015 seek to address is an inherent feature of the relationship between agents and work seekers and is not expected to change.

Through a process of public consultation and policy analysis, the sunset review has identified that no substantive changes are required to ensure the PEA Regulation 2015 continues to operate effectively. This proposal is to give effect to the outcome of the sunset review and remake the PEA Regulation 2015 as the *Private Employment Agents (Code of Conduct) Regulation 2026* (PEA Regulation 2026).

What options were considered?

A sunset review of the PEA Regulation 2015 was undertaken in accordance with the *Queensland Government Better Regulation Policy* to evaluate the continuing need for, effective and efficiency of the regulation.

Three options were considered as part of the review:

- **Option 1:** Allowing the PEA Regulation 2015 to expire without introducing a new regulation.
- **Option 2:** Replacing the PEA Regulation 2015 without changes.
- **Option 3:** Replacing the PEA Regulation 2015 with changes.

<u>Option 1: Allowing the PEA Regulation to expire without introducing a new regulation</u>

Under this option the PEA Regulation 2015 would expire on 31 August 2026 and non-regulatory alternatives would be used to address the policy objective.

As the PEA Regulation 2015 is a code of conduct which is called for under section 5 and 6 of the PEA Act, the Office of Industrial Relations has determined that the PEA Regulation 2015 is still required. Part 2, section 5 of the PEA Act states that a code of conduct shall be "the main way of regulating the conduct of private employment agents in their relationships with persons looking for work or for workers", and it is considered that this function cannot be adequately achieved by the principal legislation alone.

<u>Option 2: Replacing the PEA Regulation 2015 without changes</u>

Under this option the PEA Regulation 2015 would be replaced without required changes to its provisions. This option is not supported by the Office of Industrial Relations as the sunset review process, public consultation and the drafting process has identified that minor changes are necessary to ensure the provisions reflect modern drafting practices; to remove obsolete provisions and to update references to legislation.

<u>Option 3: Replacing the PEA Regulation 2015 with changes</u>

Under this option the PEA Regulation 2015 would be remade without substantial changes to its current provisions, but with necessary changes to bring the PEA Regulation 2026 up to date. As part of the drafting process, the Queensland Office of Parliamentary Counsel identified minor necessary changes to ensure the provisions of the new Regulation reflect modern drafting practices, remove obsolete provisions and update references to legislation.

What are the impacts?

Failure to maintain the legislative framework could adversely impact work seekers who rely on assistance from private employment agents to find placement and ongoing work. The Code of Conduct addresses the power imbalance that naturally occurs between private employment agents and their work seeker clients. This relationship necessitates that agents have access to information about work seekers which is not shared with the persons looking for workers as well as information from the persons looking for workers which is not always shared with work seekers. The PEA Regulation 2026 ensures that relevant information is shared with both parties and that sensitive or private information remains private.

Without the Code of Conduct as provided in the PEA Regulation 2026, there would be a lack of practical guidance with obligations to ensure agents share information appropriately and within a timely manner with the affected work seeker. This would leave work seekers at a disadvantage and more vulnerable to exploitation.

As an intermediary between their work seeker clients and persons looking for workers, agents may also act as 'go-betweens' for payment, receiving payment from persons looking for workers for the work of several clients and then distributing that appropriately to the clients. The PEA Regulation 2026 contains provisions to ensure that this payment is distributed in a timely manner and not withheld arbitrarily or for the taking of fees other than those allowed under the *Industrial Relations Act 2016*. If the Regulation were not in place, this would increase the likelihood of work seekers being exploited by private employment agents who may unfairly withhold a client's pay or garnish 'fees' from it.

The PEA Regulation 2026 provides for penalties for agents providing false or misleading information to work seekers and persons looking for workers. Without this provision, work seekers and persons looking for workers could be disadvantaged without the protection against the agent not providing accurate and true information. This could lead to inappropriate placements of work seekers without the proper experience required or without required certification to work in that industry or in Australia. The PEA Regulation 2026 and the Code of Conduct it provides helps ensure that work seekers placed into work have the adequate qualifications and skills and are suitable for the role.

As such, not remaking the PEA Regulation 2026 would create adverse outcomes and impacts for work seekers and persons looking for workers. The social objective of providing effective protection for work seekers' interests as well as providing a level playing field for compliant private employment agents through the PEA Regulation 2026 is beneficial and balanced against any costs to government associated with its continued role monitoring compliance with this framework.

Who was consulted?

The Industrial Relations Regulation and Compliance (IRRC) unit within the Office of Industrial Relations was consulted as part of the sunset review of the PEA Regulation 2015. The IRRC team provided valuable insights due to their role as the inspectorate for this and other industrial relations portfolio legislation in Queensland. A public consultation process was also conducted, with a consultation paper published to support stakeholders with providing feedback in relation to the review.

IRRC found no issue with the PEA Regulation 2015 in its current form and supported that it be replaced without changes.

No stakeholder submissions were received in response to the consultation paper, indicating that those within the industry do not consider the need for substantive changes to be made to the PEA Regulation 2015 and that it is performing its function as intended.

What is the recommended option and why?

Option 3: Replacing the PEA Regulation 2015 without changes

The regulatory proposal is to re-make the PEA Regulation 2015 without substantive changes.

It is considered that existing arrangements under the PEA Regulation 2015 should remain as the PEA Regulation 2026 promotes ethical conduct by private employment agents in their dealings with work seekers and others as part of the business of a private employment agent and encourages the provision of high-quality placement and recruitment services for work seekers and persons looking for workers.

For this reason, Option 3 is the recommended option.

Impact assessment

All proposals – complete:

	First full year	First 10 years**
Direct costs – *Compliance costs**	Not applicable	Not applicable
Direct costs – *Government costs*	Not applicable	Not applicable

Signed

John Sosso

Director-General

Department of State Development, Infrastructure and Planning

Date: 16/06/2026

Jarrod Bleijie MP

Deputy Premier,

Minister for State Development, Infrastructure and Planning and Minister for Industrial Relations

Date: 21/06/2026