

Thursday, 19 September 2019

Porter failing to address wage theft crisis

The ACTU welcomes a move by Christian Porter to consider increasing the penalties for wage theft but warns its merely window dressing unless the enforcement regime is addressed to ensure all working people who have had their wages stolen get low-cost access to a means of recovering their stolen wages.

If we do not deal with the drivers of wage theft, it will not bring an end to the wage theft crisis. Those drivers go beyond the inadequate penalty regime. They include the low-risk of being caught and the difficulty workers have in recovering stolen wages and superannuation.

Those wage theft investigations that are undertaken are currently long and protracted – some going on for years without conclusion.

In the case of high-profile celebrity chef George Calombaris, the review investigation took two years. Neither Calombaris, or anyone associated with the business was prosecuted.

We need comprehensive reforms that go to the heart of the wage theft business model. As well as much tougher penalties, we need to make it much more likely that wage theft and underpayments will be discovered. Workers need fast, effective access to justice to recover their stolen money. Changing the law so that workers can more easily access their unions and ensuring unions are allowed to do their job of stopping wage theft is the logical place to start.

Quotes attributable to ACTU Secretary Sally McManus:

“Wage theft is rampant in this country and now it’s like trying to put out a bushfire with a garden hose, because the Fair Work Ombudsman will never have enough inspectors to check the books of the 2.1 million businesses employing people in this country.

“Of course, we need stronger penalties for wage theft but that’s not where it ends. If your wages are stolen it should be simple to get your money back from your employer. The current system is so complex and expensive that many workers can’t even attempt to claim back stolen wages. This is creating lawlessness with unscrupulous employers taking advantage of it to steal from their wages.

“We need comprehensive reforms that go to the heart of the wage theft business model. Workers need fast, effective access to justice to recover their stolen money. As well as much tougher penalties, we need to make it much more likely that wage theft and underpayments will be discovered.

“If Porter and Morrison are serious about ending the wage theft crisis, they should change the laws so workers can more easily access their unions, more easily reclaim their money and see to it that wage thieves are punished.”

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