

Tuesday, 24 September 2019

Sunglass Hut pays \$50,000 for shady \$2.3 million rip-off

Yet another big business - this time Sunglass Hut - is paying a meagre “contrition payment” after ripping off 620 of its workers by \$2.3 million over six years.

Sunglass Hut will not be prosecuted. The company disclosed to the Fair Work Ombudsman that it had not paid overtime rates for work done outside of regular hours. It still owes 163 of its staff \$815,391 after having only paid back \$1,485,590 to 457 of its workers.

The company admitted it knew about the massive \$2.3million underpayment of its workers over three years ago. It took seven months to tell the Ombudsman and then the company took another two and a half years to settle the matter.

Similarly, celebrity chef George Calombaris got away with just a \$200,000 “contrition payment” after his company stole \$7.8 million from workers in his restaurants over a six-year period.

In both cases, six years is the time limit for legal action on underpayment of wages, meaning big businesses and employers are abusing the system.

Underpayment and wage theft are now a business model for many employers. Employers are routinely getting away with ripping off working people. Unions need to have better access to check the books and workers need fast, efficient access to justice to recover the money.

Quotes attributable to ACTU Secretary Sally McManus:

“Sunglass Hut ripped off its workers by not paying overtime and entitlements for six years. It knew about it and did nothing. Again, big business is getting away with a minor “contrition payment” for long-term rip-offs of workers.

“We shouldn’t have to wait for six years for big business to come clean before this is revealed. We need stronger rights for unions to check the books and workers need fast efficient access to justice to get their money back.

“We need reforms that go to the heart of this wage theft business model. We need stronger penalties, directors to be held responsible for their actions, and rights for unions to access workplaces to ensure that workers are being paid correctly.

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

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