

Friday, 16 February 2024

Commonwealth Bank fined \$10.3 million for wage theft

Today the Federal Court fined the Commonwealth Bank \$10.3 million for knowingly engaging in wage theft, resulting in underpayments totalling \$16 million to over 7,400 workers.

The case was brought on after the Finance Sector Union found that Commonwealth Bank used a systematic scheme of underpaying staff by using individual flexibility arrangements (IFAs), intended to remunerate workers with higher pay rates and bonuses in return for giving up annual leave loading, overtime pay, rostered days off and other allowances.

The ruling comes as the Commonwealth Bank yesterday published a half-yearly profit of \$4.8 billion.

Quotes attributable to ACTU President Michele O’Neil:

“The FSU has played a key role in detecting wage theft and holding the Commonwealth Bank to account. Congratulations to the union that stood by Commonwealth Bank workers and can finally see them win justice.

“Wage theft robs working people of money they are rightfully owed and denies them the ability to buy the necessities they need to live. This is real money owed to workers, compounding the impacts of the cost-of-living crisis. Even a small amount of wage theft could mean the difference between paying the rent, buying groceries, or paying for transport costs to work.

“A 10.3 million dollar fine is a significant amount to most, but when you post half-yearly profits of nearly \$5 billion dollars, it’s a drop in the ocean. This is why civil penalties are so important in acting as a deterrent to companies that bake in fines as the cost of doing business.”

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