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Porter failing to address wage theft crisis

Christian Porter says he might consider one day increasing penalties for wage theft, but without fixing the broken system this will not bring an end to the crisis.

As the sweetheart deal handed to Calombaris MAdE company shows increasing penalties will not result in the change needed. Neither Calombaris or anyone else associated with the business was prosecuted. They walked away with a \$200,000 'contrition payment' after he stole almost \$8 million in wages and super, after simply signing an undertaking that there would be no further underpayments or breaches.

If Calombaris had invested the money he stole, he would have made \$2.5 million over the period of the investigation. The contrition payment is equivalent to just 2.6% of the stolen money.

The regulator should not be cutting deals with high-profile and prolific wage thieves. We need comprehensive reforms which should include greater penalties and swift access to justice for workers trying to recover stolen money. This must also include changes to restrictive laws which hinder workers access to unions and stops unions from doing their jobs and stopping wage theft in the first place.

Instead, the Morrison Government is trying to pass the Ensuring Integrity Bill, a piece of legislation comparable to anti-worker laws from 20th century dictatorships which will make it even easier for employers to steal wages and get away with it.

Quotes attributable to ACTU President Michele O'Neil:

"George Calombaris' company had a wage theft business model which operated for years. He should lose his job and face the same crippling financial penalties that he inflicted on his workers.

"If the Morrison Government was serious about ending the wage theft crisis, they would change the laws which stop workers accessing unions and hinder unions from inspecting pay records and stopping theft in the first place.

"If your wages have been stolen, it should be a simple process 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 workers.

"George Calombaris is the current example but this has happened again and again. Just today we have reports of Neil Perry being sued for huge underpayments and an Adelaide based restaurant owner engaging in a million dollars of wage theft.

“If George invested the money he stole, it would have earned him \$2.5 million on the ASX over the period of the investigation but the regulator has cut him a sweetheart deal for a “contrition payment” of just \$200,000. It’s likely that George will turn a profit on the theft of almost \$8 million in wages and super.

“However the only thing the Morrison Government is focused on is how to undermine and attack the work of unions.”

ENDS

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