

Friday 16 November 2018

Win for working people in landmark Foodora case

Working people in Australia have secured a major victory against exploitative employers in the on-demand economy after the Fair Work Commission ruled a sacked Foodora rider was unfairly dismissed.

The peak body for working people, the ACTU has joined the Transport Workers Union in calling on the Federal Government to honour the ruling and to prosecute Foodora parent company Delivery Hero over their refusal to pay workers compensation payments to riders injured at work.

The Morrison Government must ensure that people working as riders and drivers in the on-demand economy have basic rights, fair pay and job security.

Earlier today creditors voted to approve a report which will see Delivery Hero pay \$3 million of the over \$8 million it owes to riders, after years of underpaying them and denying them superannuation.

Hundreds of riders have protests in Sydney and Melbourne this year demanding rights.

A survey of riders has shown three out of every four riders are paid below minimum rates.

The rider survey also found:

- Almost 50% of riders had either been injured on the job or knew someone who had.
- Over 70% of riders said they should get entitlements such as sick leave.
- 1 in 4 riders (26%) work full time hours (40+ hours per week).
- 3 in 4 (76%) riders work 20 or more hours per week.
- Over 26% work more than 40 hours a week.
- The average age is just under 26 years.

Quotes attributable to ACTU President Michele O'Neil:

“Everyone should have basic rights at work, and today the rider at the centre of this case, Josh Klooger, won a major victory to defend those rights.

“On behalf of the union movement and working people I congratulate him for his persistence and courage.

“Today’s ruling sends a message that working people – whether they are classified as contractors or employees have basic rights that we need to recognise.

“It sends a message to business owners in the on-demand economy that they can no longer dodge laws that ensure fair pay, superannuation, and compensation for injured workers.

“The Abbott/Turnbull/Morrison Government is complicit in allowing the unregulated growth of a business model of sham contracting and wage theft.”

“A business model that relies on exploitation, wage theft and the destruction of working people’s basic rights is not acceptable to our laws or our values.”

Media contact: Lachlan Williams 0447 682 027, ACTU Media: 03 9664 7315