

Wednesday, 30 October 2019

Workers need more power to end wage theft

The announcement today that Woolworths has underpaid workers \$300 million over a decade by incorrectly applying the Award to salaried staff is a wake-up call for the industry and for the Government.

Where workers are paid an annualised salary or via other individual arrangements those arrangements can never be lower than the relevant award. Award compliance is every employer's obligation. Employers must have ongoing payroll audits to ensure compliance at all times.

The Government must also step up and make structural changes to give working people more power.

Employers will not abandon illegal business models until they believe there is a significant risk of being caught and facing substantial penalties, which must form part of the solution.

The FWO is unable to deal with the scale of wage theft occurring in this country. The introduction of anti-union legislation since 1996 has meant that unions are no longer able to enter workplaces and inspect pay records. This crisis is the result of the erosion of those rights.

Quotes attributable to ACTU Secretary Sally McManus:

"There can be no excuse for not paying the people who work for you what they are owed.

"Woolworths has systemically underpaid workers for a decade, and this has only come to light because they self-reported. Self-regulation just isn't good enough. This one took nine years to come to light. We need more power for working people and their unions to regularly check the books and ensure that all employers are paying their workers properly.

"The Morrison Government is doing nothing to address the wage theft crisis, and its Ensuing Integrity bill would make it harder for unions to do the job of making sure working people are paid correctly.

"Woolworths must pay back the money, but we must also change the system so that underpayments on this scale aren't met with a slap on the wrist."

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