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Wage Theft Bill – Cynical Exploitation of a Serious Issue

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MR MORRIS (Mornington) (12:02): I am pleased to have the opportunity to make some comments on this Wage Theft Bill 2020.

This is politics over policy. It is the government seeking to obtain a partisan advantage at the expense of the community. It is the government seeking to obtain a partisan advantage at the expense of the very workers that they purport to represent.

The fact is this bill will not solve what is a very significant issue. It is in fact a failed attempt to deliver electoral advantage while pretending to be a serious policy solution.

Do we have a problem with wage theft in this country? More importantly, do we have a problem with employees not receiving what they are due? Clearly we do.

Is it intentional? In some cases, unfortunately yes it is. There are always those who are going to try to obtain some advantage by deception. But in the majority of cases clearly it is not intentional.

If you have a look at the information that the library circulated a couple of weeks ago—and I thank them for producing it—it goes back to the 7-Eleven issue of 2015 where there was mass underpayment of the workforce. I am not going to identify blame here, but we would have to say that that was the issue that started it. But then there is a long list of companies:

- the Made Establishment, \$7.83 million, 515 employees;
- the Rockpool Dining Group, Fair Work suggested underpayment by \$10 million;
- Coles, 600 staff, \$20 million;
- Wesfarmers, \$30.1 million across the company, \$9 million at Target itself;
- Qantas, 638 employees over eight years, \$7.1 million;
- Commonwealth Bank, \$53 million, 41 000 staff;
- the Woolworths group, between \$200 million and \$300 million and by some estimates \$400 million, 5700 staff.

But it is not just those major enterprises. The ABC have set aside \$23 million to address the underpayment of 2500 casual staff. The Victorian Department of Justice and Regulation, the Victorian Department of Health and Human Services, the National Gallery of Victoria, the state's public hospitals—they have all been questioned in relation to underpayment, and

there are charitable organisations as well.

So what is clear to me from that list, and they are just the higher-profile cases, is that whatever the motive—and in my view the motive of most businesses, most organisations, is pure; they are endeavouring to meet their obligations—the system is simply not working the way it should.

Employees are not receiving the remuneration to which they are entitled. That is not in dispute and it should not be dispute. But the question we should be asking is: what is the most effective way to ensure that every employee receives every cent to which they are legally entitled—every cent?

Was that the question uppermost in the minds of ministers when they were considering the drafting instructions? Was that the question the cabinet asked when the bill was considered? Clearly not, because if that had been the question, we would not have the bill in front of us that we have today.

This bill is not a serious attempt to solve a significant problem. Frankly the motives of the government in introducing this bill, to take a word from the Premier, are dodgy. It is politics, pure and simple.

Clearly the government is asking: what political advantage can we extract from the situation, this short payment of working Victorians, which is unacceptable? But the government is behaving equally unacceptably and is seeking to obtain an advantage themselves. It is a cynical ploy.

What irritates me most is it is exploiting the people that this government claims to represent, because the legislation that is before us—if it passes, and I expect it will—is not going to fix the problem.

The government knows it is not going to fix the problem. The government knows that there is commonwealth legislation pending. They know, and the Attorney-General and the Treasurer in their letter to the commonwealth Attorney-General made it clear that in their view the way forward was, and it has been quoted before in this debate:

... to develop a nationally consistent approach to wage theft, reflective of the objectives contained in the Inter-Governmental Agreement for a National Workplace Relations System for the Private Sector.

Is the bill before the house the product of consultation and cooperation of a working group which, in the words, again, of those two ministers, includes all the states and territories? Clearly it is not.

It has been interesting in this debate, because the government, as always, is seeking to conceal their cynicism with soothing, measured words, and the language we heard yesterday from the Treasurer I thought was such a clear demonstration of this, cleverly cloaking the naked politics of this legislation—the politics of envy, the allusions that we have had in the debate from government members of class warfare, the implication that all employers are evil or, as the Premier said in his media release of May last year, dodgy.

The bill probably does serve its intended purpose, and that intended purpose is clearly to advance the political interests of the Australian Labor Party, not the interests of Australian workers—the interests of the ALP, not workers.

What this bill should be doing is dealing with the systemic failure of this element of the wages system: we have an unbelievably complex industrial relations system. It is a system that meets neither the needs of employees nor the needs of employers. Yet the solution of the Victorian government to this problem is to add more complexity, more red tape, more punitive measures, more public servants.

This is not a measure to confront the problems with the system. This will simply compound them.

As the house is aware, the government has had submissions—and I think eminently sensible submissions—from a range of bodies, including the Victorian Chamber of Commerce and Industry (VCCI), the Australian Industry Group and the Victorian Farmers Federation.

In each of those there were some very sensible comments made and some genuine potential solutions advanced, and they have been completely ignored. Indeed yesterday when the member for Ripon referred to those submissions the next speaker, the member for Essendon, dismissed them out of hand because they came from employer organisations.

Apparently employer organisations have no place in this debate. They have no right to be part of these important discussions. Frankly that is a view I do not share. It is a view I think is deplorable. The views of those organisations should not have been ignored.

Unfortunately I will not have the opportunity to explore the details that were contained in those submissions but others have, so I think that is fine. I just want to quote from the VCCI submission. They said:

When organisations such the Red Cross, the ABC and Maurice Blackburn and Woolworths have identified underpayments, there is clearly something bigger at issue than intentional 'theft' going on

That is the point. This is not just intentional theft. This is a system-wide problem.

This is a bill that does nothing to solve the real problem—the problem of hundreds of thousands, if not millions, of workers being underpaid by tens or hundreds of millions of dollars. The interests of those workers have effectively been thrown overboard by this government in an attempt to obtain a blatant political advantage.

Is it any wonder the public are cynical?