

Media Release

The Hon Jill Hennessy MP
Attorney-General
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NEW LAWS TO CRACK DOWN ON WAGE THEFT

Employers who deliberately underpay or don't pay their workers will face up to 10 years jail under new laws introduced into parliament today by the Andrews Labor Government.

The *Wage Theft Bill 2020* will establish new criminal offences targeting employers who deliberately withhold wages and other employee entitlements.

Employers who dishonestly withhold wages, superannuation or other employee entitlements, will face fines of up to \$198,264 for individuals, \$991,320 for companies and up to 10 years jail.

Offences will also capture employers who dishonestly falsify employee entitlement records, such as payroll records, or who dishonestly fail to keep employment records.

The new record keeping offences are aimed at employers who attempt to conceal wage theft by falsifying or failing to keep records. They ensure employers will not be able to avoid being held accountable through dishonest record keeping practices.

The legislation will establish the Wage Inspectorate of Victoria as a statutory authority with powers to investigate and prosecute wage theft offences.

Employers who make honest mistakes or who exercise due diligence in paying wages and employee entitlements will not be guilty of wage theft offences under these laws.

Last year the Labor Government held a series of forums to give victims an opportunity to tell their stories and have their say on the reforms. Victims highlighted that recovery of their entitlements was of the utmost importance.

The Government will also make it faster, cheaper and easier for employees to recover the money they are owed through the Magistrates' Court as part of reforms to be introduced in the future.

Quotes attributable to Attorney-General Jill Hennessy

"Employers who steal money and entitlements from their workers deserve to face the full force of the law, which will include substantial fines or jail time for the worst offenders."

"This problem is systematic – that's why our laws will apply beyond wages and include allowances, gratuities, superannuation and other accruals such as leave, as well as ensuring directors and officers are held to account."

Quotes attributable to Minister for Industrial Relations Tim Pallas

"The existing legal regime has failed to prevent the exploitation of Victorian workers by unscrupulous employers."

"These laws and the new inspectorate body will hold employers accountable - workers should never be put in a situation where they need to make a complaint just to be paid properly."