

# Media Release

The Hon Daniel Andrews MP  
Premier



Saturday, 26 May 2018

## DODGY EMPLOYERS TO FACE JAIL FOR WAGE THEFT

Employers who deliberately underpay or don't pay their workers will face up to 10 years jail under new laws to be introduced by a re-elected Andrews Labor Government.

Too many Victorians are being exploited by unscrupulous employers, with the Fair Work Ombudsman recovering millions of dollars in unpaid wages and entitlements for workers every year.

A re-elected Andrews Labor Government will make sure all Victorians get paid properly for the work they do and dodgy employers get more than a slap on the wrist, with new legislation making wage theft a criminal offence.

Under the proposed new laws, employers who deliberately withhold wages, superannuation or other employee entitlements, falsify employment records, or fail to keep employment records will face fines of up to \$190,284 for individuals, \$951,420 for companies and up to 10 years jail.

These are tough penalties but they are fair penalties and reflect how seriously we take the exploitation of workers in our state.

The new laws will also make it faster, cheaper and easier for workers to get the money they are owed by their employer through the courts. For claims of up to \$50,000, court filing fees will be lowered, claims will be heard within 30 days and court processes will be simplified.

To make sure employers follow court orders, an automatic enforcement model will be introduced that puts the onus on the employer to demonstrate they have complied with orders and paid the entitlements owed to workers.

Wage theft offences will be investigated and prosecuted by the Victorian Wage Inspectorate – a new employment watchdog the Labor Government is establishing to promote fair industrial relations practices and better education, compliance and enforcement of state-based employment laws.

The Inspectorate was funded with \$22 million in the *Victorian Budget 2018/19* and will have resources to enforce new long service leave laws, child employment and owner-driver laws. It will also oversee labour hire licencing and enforcement, and establish portable long service leave for contract cleaning, community services and security industry workers.

A re-elected Andrews Labor Government will consult with employers and unions over the proposed laws.

### Quote attributable to Premier Daniel Andrews

*“Every worker has the right to get a fair day’s pay for a fair day’s work – the simple fact is underpaying workers is theft and it’s time it’s treated like that in our laws.”*

### Quote attributable to Minister for Industrial Relations Natalie Hutchins

*“The Wage Inspectorate will help protect all workers, particularly our most vulnerable, and ensure compliance and enforcement with employment conditions across Victoria.”*

### Quote attributable to Attorney-General Martin Pakula

*“Victorian workers deserve to be paid in full and on time. Under our laws, it will be easier for workers to recover stolen wages and employers caught stealing from their workers will face up to ten years behind bars.”*

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