




Speech By  
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**MEMBER FOR CAIRNS**

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**CRIMINAL CODE AND OTHER LEGISLATION (WAGE THEFT) AMENDMENT  
BILL**

 **Mr HEALY** (Cairns—ALP) (12.39 pm): Riveting. I rise to make my humble contribution to the vitally important Criminal Code and Other Legislation (Wage Theft) Amendment Bill. Before I proceed, I want to acknowledge, as some of the other committee members have, the work that has been put into this by the minister. I think it is absolutely vital. It is essential. As we have heard from others on the other side of the House, it is needed. I am very pleased to be associated with this legislation because I fundamentally believe it is essential that we have it in place.

The objectives of the bill are to implement the underlying policy intent of committee recommendation 8 which is the simple, quick and low-cost wage recovery process for workers and recommendation 15 which is the criminalisation of wage theft. The bill seeks to provide Queensland workers who have fallen victim to wage theft and unpaid or underpayment of wages with a clear, quick and simplified way to recover their wages and to deter employers from engaging in intentional and deliberate wage theft, particularly those who engage in it as a business model, through criminalisation.

The bill follows a comprehensive inquiry conducted by the committee in 2018 into the incidence, forms and impacts of wage theft in Queensland and the effectiveness of the current regulatory framework at a state and federal level in dealing with wage theft or, more importantly, the ineffectiveness in dealing with wage theft. The committee made 17 recommendations in its wage theft report. Of the six relating to the Queensland government, recommendations 8 and 15 required legislative amendment and are fundamentally the genesis of this bill.

As part of the wage theft inquiry, the committee conducted consultation with stakeholders, including an online survey which received 360 responses. We conducted 24 hearings across Queensland and received evidence from more than 100 witnesses. I can tell members that the stories of some of those witnesses were compelling. Currently in Queensland, while there is a specific criminal offence for employees who steal from their employers, there is no equivalent offence for an employer who steals from their employees.

The committee found that wage theft is endemic across Queensland, affecting 437,000 workers and costing approximately \$1.2 billion in wages and \$1.1 billion in unpaid superannuation each year. The impact of that is absolutely significant. It would be felt in all quarters of the commercial activities of our community.

The committee heard accounts of wage theft as well as deliberate action by employers to frustrate employees' attempts to recover their entitlements. The committee found affected workers, especially temporary migrants and young people, are poorly informed about avenues for reclaiming their wages and that efforts to recover wages were made difficult or otherwise were unsupported by the under-resourced federal regulator, the Fair Work Ombudsman.

Concerns were raised of employees engaging in wage theft to lower their operating cost, increase profits and gain advantage over competitors with little fear of being caught—spineless. In some instances, the conduct of employers was of such a systematic nature it was included in their business

model, as we have heard from other speakers. In addition to exploiting workers, these practices harm the 90-plus per cent of businesses that are complying with the legislation and doing the right thing. What have been clearly identified as contributing factors to wage theft are: unpaid hours or underpayment of hours; unpaid penalty rates; unreasonable deductions; unpaid superannuation; withholding entitlements; underpayment through intentionally misclassifying a worker, including the wrong award, wrong classification or sham contracting and the misuse of ABNs; and, finally, authorised deductions that have not been applied as agreed.

Submitters expressed contrasting views about whether wage theft in Queensland should be criminalisation and the extent of criminalisation. However, broad support was provided by unions and individual workers who provided evidence to the committee. I want to touch on the opposition to criminalisation. As members would expect, there were some submitters who did not support this. These included the CCIQ, the National Retail Association and the HIA. The reasons given were that a new offence would add to the complexity of the existing industrial relations system. If that is not a reason to drive change, I am going to eat my hat. This next reason is even better. Existing federal laws are sufficient. Obviously they are grossly, impressively and consistently inefficient. The last reason was that the criminalisation could lead to unintended consequences—so not paying fair wages will not lead to unintended consequences. There was not one legitimate argument put forward. The majority of people understand that this is the right thing to do.

It is concerning with regard to lot of those organisations that did not support this because they have members that are doing the right thing every single day. Those organisations are not representing their interests. The purpose of this legislation is to protect all workers from intention wage theft.

I would like to acknowledge the contribution of my fellow committee members, and in particular our chair, the ever hardworking member for Nudgee. I would also like to acknowledge the hard and diligent work of the committee secretariat. The measure of wealth in a civilised state is not the currency accumulated by the lucky few, but that state's ability in reducing the inequity. That is what we are doing here today. I commend the bill to the House.