



It's not 'wage theft': Senate Inquiry

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The Senate inquiry has vindicated the position of Australia's universities, citing wage complexity as a root cause of wage underpayments.

This finding debunks the fabrication of the National Tertiary Education Union (NTEU), which has claimed wage underpayment was part of universities' business plan.

"The truth eventually has come out. However, this is a truth that universities have been stating all along. Words matter. Wage theft is a criminal offence. Under Australian law it requires intentional conduct. It is not a synonym for every historical wage underpayment," the Executive Director of the Australian Higher Education Industrial Association (AHEIA), Craig Laughton, said.

"We are grateful that the Senate References Committee on Education and Employment has examined this issue and, through its findings, has accepted the explanation of universities on this matter as well as promoted solutions submitted by AHEIA," Mr Laughton said.

"AHEIA wants changes to the law to overcome the problems, which often are rooted in enterprise agreements."

The inquiry included representatives from all sides of politics.

In an early stage of its report it stated that:

"The word 'theft' connotes deliberate, dishonest wrongdoing; yet, as the evidence to this inquiry made clear, the label is routinely applied to conduct involving no such intent. The committee considers that applying a single, pejorative term across conduct of such different character is inaccurate and unhelpful."

The view of the Committee, in part, is that: "... the committee learned that the complexity of the industrial relations system is a significant factor contributing to wage underpayment (and overpayment), with large employers such as the Australian Broadcasting Corporation, leading global charities, the Department of Employment and Workplace Relations and even courts struggling to interpret particular entitlements. Small businesses may be particularly at risk of underpaying their employees..."

The committee went on to say..." the committee concurs with the assertion...that laws 'which cannot reliably be navigated and complied with where an organisation genuinely endeavours to do so need to be urgently reviewed..."

This is exactly the submission of AHEIA.



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The Committee has recommended that the federal government make modern awards clearer and easier to apply...to reduce inadvertent wage underpayment.

There was no finding in the Senate report that supported claims by the NTEU directed at universities.

The NTEU must now acknowledge that it's not acceptable to carry on with its mischaracterisation and inflammatory language on this issue and start supporting universities to work through these complex matters.

Ends

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