



PARLIAMENT OF VICTORIA
Penalty Rates and Fair Pay Select Committee

MEDIA RELEASE

Penalty Rates and Fair Pay Select Committee report tabled

The Penalty Rates and Fair Pay Select Committee has tabled a report in the Victorian Parliament today on the economic and social impact of the Fair Work Commission's 2017 decision to reduce penalty rates in the fast food, retail, hospitality and pharmacy sectors.

In its report, the Select Committee has made 11 findings and nine recommendations, after an inquiry that received 36 submissions and held four days of public hearings.

The Committee found the reduction in penalty rates disproportionately impacts women and young people, who have a greater representation in the affected industries. The changes will also reduce the disposable income of many workers in those industries, which is likely to have a flow on economic effect, particularly in small regional Victorian communities. The Committee also found there is no evidence that new jobs have been created, or additional hours offered, following the first round of penalty rate reductions.

The Committee recommended that the Victorian Government advocate for the Federal Government to legislate to restore penalty rates in the relevant awards to their previous levels and review the resources and powers of the Fair Work Ombudsman. It also recommended that the Victorian Government advocate for changes to the Fair Work Act 2009 to ensure the Fair Work Commission cannot vary a modern award in a way that would, or would be likely to, reduce take-home pay of any employee covered by the award.

It recommended that the Victorian Government introduce legislation to create a new criminal offence for dishonestly underpaying wages or entitlements, and investigate options to include the employee's relevant award and classification on the payslips of Victorian government employees. It also recommended investigating opportunities and mechanisms for greater education on workplace rights and laws for workers and employers.

The report is available from the Committee's [website](#).

Media queries

Contact the office of Committee Chair Gabrielle Williams on 03 9793 2000

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