

You see no evil when you hold your hands over your eyes

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By Natalie James, Fair Work Ombudsman

They work in some of the toughest conditions.

Trolley collectors contend with traffic hazards, stressed shoppers, stifling heat and pouring rain.

They go about their business relatively unnoticed, displaying expert control over their shopping cart "trains".

It's a low-skilled, low-paying job where we find vulnerable workers often unsure of their workplace rights.

For years now we have been finding serious cases of exploitation of trolley collectors, and urging the big supermarket chains to do something about it.

In the last 12 months, Coles has stepped up and taken responsibility for trolley collectors working on its sites.

Today, I release the results of the Fair Work Ombudsman Inquiry into Woolworths' procurement practices.

What did we find at the 130 sites we assessed?

More than three in every four (79 per cent) of sites visited had indications of some form of non-compliance with workplace laws.

Almost one in every two (49 per cent) presented serious issues; that is, multiple indicators of non-compliance such as reports of underpayments, no time records or payslips.

Some workers were getting as little as \$10 an hour!

That's right, paid as low as \$10 an hour collecting the trolleys at Woolworths ... Australia's ninth largest company with 3729 supermarkets, liquor outlets, service stations and hotels across Australia and New Zealand!

We found migrant workers too scared to talk to us.

Many trolley pushers are overseas workers, including international students with visa restrictions on the hours they can work.

Many of these workers are vulnerable to coercion, loyal to their cultural community and, quite simply, just grateful to have a job in Australia no matter what it pays.

One employee responded: "Why would I speak against this man when he is the only one who will give me a job in this country?"

We also found false employment records including pay-slips created for workers not even in the country at the listed time of their employment and evidence of trolley collectors signing off on blank time sheets.

Taken together, these factors make it very difficult for my Inspectors to take action to rectify what could be significant underpayments to this vulnerable workforce.

If you think all this sounds all too familiar, then you would be right.

It sounds a lot like what the Fair Work Ombudsman found when we went looking into the 7-Eleven network.

Once again we find a big, established company at the top of a chain that involves worker exploitation, reaping the benefit of underpaid labour while failing to keep sufficient watch on what its contractors are paying the workers.

We found Woolworths didn't always know who was working on its patch.

Multi-tiered sub-contracting arrangements created a faceless workforce at some supermarket sites and an entrenched culture of non-compliance in the supply chain.

These arrangements breached Woolworths' own procurement rules that were supposed to limit the layers of contracting.

The community is tiring of established businesses claiming they 'did not know' what was going on in their networks and labour supply chains, while at the same time failing to put adequate governance arrangements in place.

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With so many unauthorised layers of contracting, there were cases where the underpayment of workers was inevitable, with the insufficient money being paid by Woolworths for all the contractors to make a profit while meeting their employees' entitlements.

Woolworths, like many other companies, says it takes its responsibilities under workplace laws very seriously.

A decade after we first started investigating allegations of exploitation at its sites, I need more than words from Woolworths.

It's time for Woolworths to show us all that it means it, and to commit to action.

Our report sets out a pathway to robust, transparent and accountable management of its trolley collection services.

We stand ready to work with Woolworths to implement these recommendations and build a culture of compliance in its business.

We also call on members of the community with any information about the involvement of any person or company in the underpayment of trolley collectors working for Woolworths to come forward and tell us what you know.

Recognising that some people may wish to provide information confidentially, they can report their concerns anonymously via a new facility on our website at www.fairwork.gov.au/tipoff (www.fairwork.gov.au/workplace-problems/fixing-a-workplace-problem/report-an-is-sue-anonymously/default) .

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Media inquiries:

Bryan Littlely, Assistant Director, Media

Mobile: 0447 692 007

bryan.littlely@fwo.gov.au (<mailto:bryan.littlely@fwo.gov.au>)

Page reference No: 6155

Contact us

Fair Work Online: www.fairwork.gov.au

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