

Joint Committee on Corporations and Financial Services

QUESTION ON NOTICE Date of hearing: 1 March 2023

Outcome: Workplace Relations

Department of Employment and Workplace Relations Question No. IQ23-000019

Senator Paul Scarr on 01 March 2023, Proof Hansard page 46

What FEG does not Pay as a Proportion

Question

Senator SCARR:

...

I'm interested to know how we as the committee can drill down to get an appreciation of how much of the accrued entitlements, unpaid wages, that truck driver is going to receive through the FEG scheme, as a proportion, and whether there's any data you can share with us in that regard?

Ms Saunders: We don't have the specific data of what we don't pay under the scheme. We can take on notice to see if we can draw that information from our business system.

Answer

Between the 2012–13 and 2021–22 financial years, on average 20.4 per cent of claimants (1,995 people each year) had their payments capped due to the application of the following limits under the *Fair Entitlements Guarantee Act 2012*:

- the capping of all entitlements paid under FEG at the maximum weekly wage rate
- the five-week cap on payment in lieu of notice
- the four-week per full year of service cap on redundancy pay.

The proportion of entitlements claimed but not covered by the FEG program, on average, was \$13.8 million per year. The average expenditure on FEG claims per year over this period was \$161.4 million.

The figures above do not include the 13-week cap on unpaid wages, as the Department of Employment and Workplace Relations does not collect data on unpaid wages outside the 13 week wages entitlement period.