Crimes (Theft by Employer) Amendment Bill 2023



New Zealand Council Of Christian Social Services

Tirohanga Whānui | Overview

The New Zealand Council of Christian Social Services (NZCCSS) welcomes the opportunity to provide feedback on the Crimes (Theft by Employer) Amendment Bill. We support the kaupapa to explicitly include the theft of wages in the Crimes Act and provide an additional layer of protection to employees. We express concern that the Amendment does not extend criminal liability to directors of a company where the employer is an entity. We also consider the penalties to be insufficient to stress the severity of wage theft and provide significant disincentive.

Taunakitanga | Recommendations

Our main points are:

Item One

We support the specific inclusion of wage theft in the Crimes Act. Giving employees a direct pathway to restitution, instead of pursuing the current pathways through the Employment Relations Authority, is welcomed.

<u>Item Two</u>

We note that there is no criminal liability for directors of entity-employers who engage in wage theft, and express concern that this reduces compliance incentive for entity-employers. **Recommendation Proposal:** We suggest extending personal liability to the directors of a company found to be committing wage theft.

Item Three

Internationally comparable law carries a much higher penalty – with fines being up to \$218,088 (and up to ten years imprisonment) for individuals and \$1,090,440 for companies in Victoria, Australia. The proposed penalties in this amendment are significantly lower and provide a greatly reduced incentive for compliance.

Recommendation Proposal: We suggest recalculating the proposed penalty to create a more significant incentive for compliance.

Ko wai tātou | Who we are

NZCCSS has six foundation members; the Anglican Care Network, Baptist Churches of New Zealand, Catholic Social Services, Presbyterian Support and the Methodist and Salvation Army Churches. Through this membership, NZCCSS represents over 230 organisations providing a range of social support services across Aotearoa. We believe in working to achieve a just and compassionate society for all, through our commitment to our faith and Te Tiriti o Waitangi. Further details on NZCCSS can be found on our website <u>www.nzccss.org.nz</u>.

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