



PARLIAMENT OF AUSTRALIA • THE SENATE  
SENATOR THE HON. BRIDGET MCKENZIE  
*Shadow Minister for Infrastructure, Transport and Regional Development*  
*Leader of the Nationals in the Senate*  
*Senator for Victoria*

Wednesday 31 May 2023

Ms Sandra Parker  
Fair Work Ombudsman  
Level 12, 414 La Trobe Street  
MELBOURNE VIC 3000

Dear Ms Parker, *Sandra*

I write with reference to allegations of roting in the billing of shifts by workers engaged in major rail projects in Victoria, as detailed in the article 'Ghost shifts' in Big-Build rorts in the *Herald Sun* on Friday 26 May 2023.

The Commonwealth Government makes a significant investment of Australian taxpayers' funds to build road and rail infrastructure in Victoria, primarily by providing funds to the Victorian Government in accordance with the terms of the *National Partnership Agreement on Land Transport*.

The media reports refer to allegations relating to workforce supplied by the labour hire business Morson Australia.

It is important the Commonwealth Parliament can have every confidence that Australian taxpayers' funds are being spent in a way that maximises the cost efficient delivery of public infrastructure in Victoria. Allegations that shifts may have been fraudulently claimed for Victorian infrastructure projects, undermines that confidence.

In this context, I request you consider whether, as Fair Work Ombudsman, you have powers to investigate the serious matters raised in the *Herald Sun* report regarding alleged fraudulent claiming of employee hours worked and scheduling of so-called "ghost shifts that may cost the public multi-millions of dollars. The report suggests individuals who are the beneficiary of fraudulent shifts could defraud taxpayers of up to \$350,000 per year.

I would be pleased to discuss this matter with you and receive your assessment of the veracity of the claims, as well as any measures which you consider state and territory delivery partners could take to reduce the risk of taxpayers being defrauded and maximise the cost efficient delivery of public infrastructure.

Thank you for your consideration of this important matter.

Yours sincerely

Senator the Hon. Bridget McKenzie

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FRIDAY, MAY 26, 2023

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# RAIL RORTS

**EXCLUSIVE** Big Build rocked by claims of multimillion-dollar rip-offs including taxpayers charged for 'ghost shifts'

**Matt Johnston**  
Major Projects Editor

Victoria's infrastructure Big Build has been rocked by bombshell allegations of multimillion-dollar rorts that include taxpayers charged for unfilled "ghost" shifts and unpaid allowances.

Multiple investigations have been launched into the alleged scams on

huge projects such as the level-crossings removal program and the \$13bn Metro Tunnel.

Insiders have outlined how building giants are being billed for up to three shifts in 24 hours supposedly done by one worker. Some are referred to as "ghost" shifts because they are not filled or only partly completed, while workers are moved be-

tween sites to allow subcontractors to invoice builders multiple times.

In one staggering instance, the Herald Sun has seen evidence of how a rail safety worker, supplied by Morson labour hire, was signed in for a night shift at one site, another night shift at a separate site, and a 12-hour shift the following morning.

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# 'GHOST SHIFTS' IN BIG-BUILD PORTS

**EXCLUSIVE**  
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Multiple investigations have been launched into the alleged scams on huge projects such as the level-crossings removal program and the \$13bn Metro Tunnel.

Insiders have outlined how building giants and rail operators leading those projects are being billed for up to three shifts in 24 hours supposedly done by one worker.

Some of those are referred to as "ghost" shifts because they are not filled or only partly completed, while workers are moved between sites to allow subcontractors to invoice the builders multiple times.

The national rail safety regulator, and rail operator Metro Trains, are both now assessing the claims.

In one staggering instance, the Herald Sun has seen evidence of how a rail safety worker, supplied by Morson labour hire, was signed in for a night shift at one site, another night shift at a separate site, and a 12-hour shift the following morning.

When Morson Australia was contacted about the allegations, the Herald Sun was initially told it had suspended invoices it sent to Big Build companies while it conducted an internal audit of shifts that had been billed.

That claim was later retracted, and the company's managing director Sandeep Nair said: "We are currently conducting an internal audit so we can't comment on the allegations".

Insiders say some of those involved in the rort could pocket \$250,000-\$350,000 a year due to the massive wages for night shifts and extra shifts - but some workers were not being paid their entitlements or full allowances.

"There's a lot of money to be made," one said.

"From a safety perspective, someone could be killed."

Some safety incidents are already alleged to have occurred on the rail network projects, including heavy machinery colliding and "stop boards" being crushed by trains.

A spokesman for the Office of the National Rail Safety Regulator said it was "aware of allegations relating to fraudulent practices by labour hire companies contracted to major projects and railway operations in Melbourne".

"These allegations are cur-

rently the subject of an ONRSR investigation, with the focus of our activities being on safety matters," he said.

If breaches of safety laws were identified, he said, companies could be taken to court.

It is unclear whether anti-corruption bodies have been alerted to the alleged misuse of public money.

A spokesman for Metro Trains said it expected "the highest level of standards from all suppliers who provide services to Metro".

"We're taking these allegations seriously and are thoroughly reviewing this matter," he said.

One of the rorts has been outlined by project insiders. During a 45-day shutdown of the Hurstbridge rail line to remove level crossings, workers were paid a 30 per cent loading instead of the double time charged to clients.

Other allegations relate to underpaid site allowances, worth up to \$10.50 per hour on the Metro Tunnel, as well as travel allowances worth up to

\$53 a day, and inclement weather payments.

The practice of "ghost shifts" is also alleged to have occurred, where people are rostered for work - including on weekends when double-time penalties can be claimed - but no one turns up.

Opposition transport infrastructure spokesman David Southwick said it was not surprising major projects in Victoria had already blown out by billions of dollars if such behaviour was tolerated.

He said the minister respon-

sible, Jacinta Allan, had serious questions to answer about "safety issues and corruption allegations on major transport projects".

In response to questions put to the Andrews government and the Major Transport Infrastructure Authority, an MTIA spokesman would not comment, apart from saying: "In line with contractual requirements, agreements with subcontractors are a matter for our contract partners".

**matthew.johnston@news.com.au**

## Investors 'quitting rental market'

**Kieran Rooney**  
**Mitch Clarke**

Victoria's peak real estate bod has warned that investors are increasingly getting out of the rental market across the state.

Speaking at a parliamentary inquiry into stamp duty, the Real Estate Institute of Victoria also said a reform of property taxes was needed.

REIV chief Quentin Kilian on Thursday slammed the Daniel Andrews government's decision to increase land tax to help pay off its Covid debt.

He said increasing supply was the key solution to stop soaring rents, but government decisions were pushing investors out of the market.

"Increased land tax will make property investment more costly, force rental prices upwards and further perpetuate Victoria's rental crisis," Mr Kilian said.

"What the sector and members call for is a solution to property taxation that maintains state revenue without increasing the barriers to home ownership and investment and furthering the pressure already being felt on Victoria's stretched housing supply.

"Our members are being contacted more frequently by investors reviewing their options on selling up and moving out of the rental market due to rising costs."

Mr Kilian said the REIV backed removing stamp duty but was not as supportive as others in replacing it with land tax, with this charge to bring in more revenue from properties over the long-term.

Mr Kilian said the inquiry and governments more broadly should explore other options, including increasing GST to offset losses from getting rid of other state taxes.

Mr Andrews said the landlord tax was justified because there had been an almost 100 per cent average increase in residential property value over the last 10 years. "That's a pretty significant uplift," he said.

## Making off with scooter

Police are hunting a pair of heartless thieves after they stole a 95-year-old man's mobility scooter from an aged care centre in Brighton East.

Damning CCTV footage shows two men, both in dark clothing, in a storage area at the Levande Oak Grange retirement centre earlier this month. After an initial struggle to turn the scooter's power on, one of the men drove off on it.

"It is understood offenders entered an underground carpark at an aged-care home on Hawthorn Street between 3pm on 13 May and 10am on 14 May," police said. Anyone with information is urged to contact Crime Stoppers.