



Mr Stephen Palethorpe
Secretary
Senate Education and Employment Committee

Via email: eec.sen@aph.gov.au

26 November 2018

Dear Stephen

Thank you for your letter dated 16 November 2018 seeking Woolworths' response to matters raised in correspondence received by the Committee from Ms Ashleigh Wallace.

Correspondence from Ms Wallace

The Committee has sought information regarding what internal processes Woolworths has in place to ensure that settlement amounts are calculated correctly not only when Woolworths is taking responsibility for the payments, but when the amounts are calculated by entities in the cleaning supply chain; and whether Woolworths has considered an external verification process.

Woolworths has utilised the services of both internal and external expertise to help build a process to ensure settlement amounts are calculated correctly. We have utilised our own internal Industrial Relations and Procurement teams plus sought advice from the Fair Work Ombudsman and external consultants companies to assist in interpreting and applying the *Cleaning Services Award 2010*. We have also worked with audit companies such as SAI Global, Intertek and BSI to help us ensure our audit process is robust.

All of our auditors and investigators have completed courses with the Fair Work Ombudsman in relation to payroll, rostering and timekeeping systems and undertaking other training (including through resources identified by the Ombudsman) in relation to the relevant Award.

Woolworths is confident that, assuming we are given accurate details up front (and, in the case of correspondence received on this particular matter, the details supplied have changed considerably during the course of our interactions), we are able to calculate the correct figures. However, when accurate or reliable information is not available, we need to make assumptions based on trends and historical data and may therefore seek to negotiate a settlement outcome. Any figure provided by a contractor is recalculated and verified by Woolworths prior to us agreeing to the figure and discussing with the complainant. If the need arises, Woolworths will utilise the services of external experts to verify settlement amounts.



Clarification of Hansard

We would like to take this opportunity to address what we believe are certain inaccuracies recorded in Hansard when the Committee's final report was presented to the Senate on 13 November 2018.

In particular, on page 67 of Hansard, Senator Cameron remarked that "*...there was systematic exploitation of cleaners employed by Woolworths in Tasmania*". As was made clear during the Inquiry process, Woolworths does not employ any cleaners in Tasmania and nor has it been found during the course of the Fair Work Ombudsman's investigation to be in any way in contravention of any law.

On the same page of Hansard, Senator Cameron makes the following statement "*...were subject to exploitation because Woolworths took the position that they could contract out to a company called Broadspectrum and then Broadspectrum contracted out to other companies...*". For the record, Woolworths has never contracted out its cleaning services to "Broadspectrum".

Yours sincerely

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