

Media Release

29 August 2018

Woolworths signs up to protect cleaners

Woolworths Ltd has committed to protecting the rights of the workers in its cleaning services supply chain by entering into a new Compliance Partnership with the Fair Work Ombudsman.

The FWO's [Inquiry into the procurement of supermarket cleaners in Tasmania](#) found high levels of non-compliance with workplace laws amongst contractors providing cleaning services at Woolworths' Tasmanian supermarket sites. Issues uncovered included significant underpayment of vulnerable workers and record-keeping breaches.

Fair Work Ombudsman Sandra Parker commended Woolworths for its response to the Inquiry findings.

"Our Inquiry into supermarket cleaners in Tasmania unveiled serious workplace breaches that required a serious response from Woolworths. By signing a proactive compliance deed with the Fair Work Ombudsman, Woolworths has committed publicly to monitoring and auditing its network of cleaning contractors at all Woolworths Group sites," Ms Parker said.

"Woolworths is implementing responsible measures to ensure its cleaning contractors are paying their workers correctly and meeting their workplace obligations."

The latest partnership follows a similar deed signed last year covering [Woolworths' procurement of trolley collection services](#).

"The FWO encourages all companies involved in the procurement of services through supply chain arrangements in industry sectors such as cleaning, security and IT to work proactively and constructively with us. Good companies take accountability for ensuring workers servicing their businesses are being treated lawfully and their shareholders and customers have a right to expect this of them," Ms Parker said.

Woolworths has agreed to report regularly to the FWO on its implementation of the following agreed measures under the deed:

- Ensuring **employee records** are accurately maintained by contractors including through photo identification of employees and improved timekeeping systems.
- **Rectifying underpayments** by requiring the primary contractor to back-pay substantiated claims or, when this has not occurred within 20 days, through an ex gratia payment by Woolworths.
- **Annual audits** of contractors conducted by independent expert auditors.
- Requiring all contractors to agree to make **payments to employees by EFT and not cash**, except in exceptional circumstances.
- **Investigating and resolving referred complaints** in a timely manner.
- **Maintaining an Internal Compliance Team** to conduct unannounced compliance checks of contractors.
- **Promoting accountability** at all levels of the supply chain by requiring the primary contractor to enter into a written contract containing prescribed terms with the subcontractor.

- **Ensuring contract prices are sufficient** to meet minimum employee entitlements.
- Promoting the **multi-language Speak Up Service** which allows contractors, employees and members of the public to report potential non-compliance.
- Providing **ongoing training** to ensure all employees and employers on Woolworths sites are aware of their workplace rights and obligations.

The FWO will ensure Woolworths complies with the deed by working with their Internal Compliance Team, which was established under an earlier compliance partnership covering its trolley collection supply chain.

The FWO will meet regularly with Woolworths on the PCD, receive regular progress reports and provide guidance and feedback on the company's implementation of the measures agreed to in the deed.

The Proactive Compliance Deed was signed on 24 August 2018 and is available at www.fairwork.gov.au

Background

Promoting workplace compliance within labour supply chains is an ongoing focus for the Fair Work Ombudsman. Resources to help businesses monitor and manage their contract relationships are available at www.fairwork.gov.au/supplychain.

The FWO has also been working with key industry participants as part of the [Cleaning Accountability Framework](#), an industry-led initiative which promotes the adoption of best practice throughout the cleaning supply chain to improve labour and cleaning standards in Australia.

Employers and employees seeking assistance can visit www.fairwork.gov.au or call the Fair Work Infoline on **13 13 94**. Small business callers can opt to receive priority service via the Small Business Helpline and an interpreter service is available on **13 14 50**.

Media enquiries: Matthew Raggatt, 0466 470 507, matthew.raggatt@fwo.gov.au