

## 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. IQ23-000190**

Senator Deborah O'Neill provided in writing.

#### **1 March 2023 | Scott's Refrigerated Logistics - Entitlements**

##### **Question**

Please provide the details on the amount of the following entitlements that workers will lose in the voluntary administration of Scott's Refrigerated Logistics.

- untaken sick leave,
- unpaid non-ongoing payments/commissions (example production bonuses),
- unpaid voluntary and superannuation guarantee contributions,
- accrued time (such as TOIL),
- long standing wage underpayments and;
- unremitted payroll deductions to nominated third parties.

##### **Answer**

The Department of Employment and Workplace Relations does not hold information on the amount of untaken sick leave, unpaid non-ongoing payments/commissions, unpaid voluntary and superannuation guarantee contributions, accrued time (such as TOIL), long standing wage underpayments and unremitted payroll deductions to nominated third parties of former employees of Scott's Group entities.

The department notes that unpaid voluntary superannuation contributions, non-ongoing payments/commissions, accrued time (such as TOIL) and unremitted payroll deductions to nominated third parties may be 'wages' within the meaning of section 7 of the *Fair Entitlements Guarantee Act 2012* under certain circumstances. Wages entitlements are payable under the *Fair Entitlements Guarantee Act 2012* only in respect of work done or paid leave taken within the 'wages entitlement period'.

The administrators' report to creditors pursuant to section 75-225 of the Insolvency Practice Rules (Corporations) 2016, dated 27 March 2023, notes:

- superannuation for January and February 2023 remained unpaid at the date of the appointment of the administrators, but that the Scott's Group entities generally remitted superannuation quarterly so these amounts were not yet due, and
- there was a historical wage underpayment matter that had not been fully resolved at the time of the administrators' appointment, with the amount payable in the range of \$2-3 million.