



Latest Target of Fair Work Inspectors

IR Update Issue 09 April 2014

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Fair Work Inspectors have spent time reviewing employment conditions in various workplaces. The latest workplaces to be inspected included approximately 20 vineyards in the Hunter Valley region. They visited these workplaces in January to ensure grape pickers were being paid correctly, employers were keeping proper employment records and issuing employees with pay slips.

It was highlighted by a representative of the Fair Work Ombudsman (FWO) that the fruit picking industry attracts a high number of foreign workers who are not always aware of their workplace rights or don't want to complain. That is why they are placing a high priority on these workplaces at the moment, even visiting backpacker hostels to talk directly to workers. They are aiming to work with employers to rectify any issues of non-compliance in the first instance and educating the employer about their obligations to ensure future compliance.

However, if you continue to do the wrong thing by employees you might end up like these recent cases:

- An underpaid truck driver was ordered to be back-paid \$52,000 having been underpaid the minimum hour rate and travel allowance entitlements.
- A foreign worker at a bakery was also ordered to be back-paid \$19,100 in underpaid wages and personal leave entitlements.
- A tradesman not paid his final wages upon the termination of his employment last year was eventually paid \$5,600 under orders from the FWO.

Source: HC Online, Cameron Edmond, 13 January 2014

FWO - Top Five Fines of 2013

As the Fair Work Ombudsman's (FWO) audit of Australian companies continues in 2014, let's reflect on the top 5 fines for 2013.

September 2013 – \$343,860 – a cleaning company and its manager were fined for deliberately underpaying six cleaners. The company was fined \$286,550 while the manager was fined an additional \$57,310.

July 2013 – \$286,704 – a private transport company was found to be engaging in sham contracting, which resulted in seven employees being underpaid. The company director admitted to misclassifying the drivers as independent contractors as opposed to employee.

August 2013 – \$180,000 – the operators of four restaurants were fined for underpaying 50 of their

workers. Some workers spoke little English and a high number were international students. They were being paid flat rates between \$5 & \$10 an hour – a significant underpayment of base rates and penalty rates.

August 2013 – \$161,700 – a retailer wrongfully hired four workers as independent contractors instead of employees, resulting in over \$10,000 in underpayments. This was another breach of sham contracting laws – where the employees were paid as contractors despite being required to attend work and perform duties as directed by the company.

April 2013 – \$166,848 – another business was also fined for sham contracting and underpayments, this time it was a produce store. Employees were paid flat hourly rates, which resulted in underpayments for casuals, weekend penalty rates, overtime and public holiday work.

Can your business afford a fine like this?

Make sure your compliant – contact Lisa Dwyer at Brismark for a HR Healthcheck and to take part in the 2014 Market Salary Survey.

Source: HC Online, Cameron Edmond, 24 February 2014