

# Alice Springs Education and Compliance Campaign 2014

## Report – April 2015

A report by the Fair Work Ombudsman under the Fair Work Act 2009

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# Campaign Snapshot

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Total of

**67**

Businesses audited during  
the campaign

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A total of

**40%**

Of businesses found to be  
compliant with all  
requirements

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Over

**\$70k**

Was recovered on behalf of  
216 employees

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A total of

**36%**

Of businesses had errors  
only relating to pay rates

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A total of

**13.5%**

Of businesses had errors  
only relating to record  
keeping and payslips

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# Campaign summary

In May 2014 the Fair Work Ombudsman (FWO) commenced the Alice Springs Education and Compliance Campaign (the campaign).

The campaign aimed to promote workplace rights and responsibilities amongst small businesses in Alice Springs.

During the campaign we visited 67 businesses. Fair Work Inspectors provided employers with information and resources to help them more easily comply with their obligations under Australia's workplace laws. We also assessed a sample of time and wage records to ensure that employers were following correct record-keeping and pay slip practices and paying staff all due entitlements.

The assessments showed that:

- 36 (54%) businesses were paying their employees correctly
- 51 (76%) were compliant with record-keeping and pay slip requirements

We recovered a total of \$70 374 on behalf of 216 employees, from 22 businesses.

## Purpose of the campaign

The campaign provided the opportunity for Fair Work Inspectors to speak face to face with small business employers to:

- provide advice on workplace relations issues
- increasing awareness of the FWO's tools and resources for small business
- identify and resolve any compliance issues identified

## Our industry partners

Before commencing the campaign, we engaged with the following stakeholders representing businesses in the region:

- Northern Territory Chamber of Commerce
- Council of Small Business Organization of Australia
- Australian Retailers Association
- Australian Hotels Association (NT Branch)
- Australian Industry Group
- National Retail Association
- Restaurant and Caterers Association
- United Voice (NT Branch)
- Shop, Distributive and Allied Employees Association (SA and NT Branch)

We invited stakeholders to provide feedback on the proposed campaign and to assist us in promoting it amongst their networks.

## What we did

Fair Work Inspectors visited 67 businesses in May 2014. We spoke with employers about their workplace obligations and assessed a sample of time and wage records.

Where we identified pay slip or record-keeping contraventions we sought an undertaking from the employer they follow correct practices in the future.

Where we identified underpayments, we required the employer to rectify the underpayments and provide the FWO with proof of having paid the affected employees.

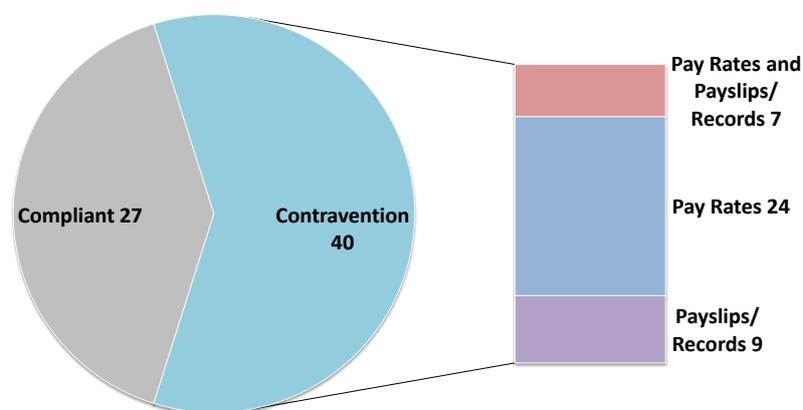
While in the region Fair Work Inspectors also met with advisers to small businesses from the area, including accountants and bookkeepers as important small business intermediaries.

## Outcomes

Of the 67 businesses whose time and wage records we assessed:

- 27 (40%) were compliant with all requirements
- 40 (60%) had at least one error, of which:
  - 24 (36%) were paying incorrect rates of pay
  - 9 (13.5%) had errors relating to pay slips or record-keeping
  - 7 (10.5%) had both monetary and non-monetary errors

**Chart 1: Audit Results**



This means that of the 67 businesses audited:

- 36 (54%) were paying their employees correctly
- 51 (76%) were compliant with record-keeping and pay slip requirements.

The 40 businesses found in contravention had a collective total of 56 individual errors. The top three errors were:

- Underpayment of the minimum base hourly rate (39%)
- Failure to provide payslips in the prescribed form (18%)
- Weekend penalties (14%)

We recovered a total of \$70,374 from 22 businesses on behalf of 216 employees. The amount recovered from individual businesses ranged from just over \$100 to over \$15,000.

## Other Findings

Fair Work Inspectors further noted some additional observations, including:

- in preparation for our visits, many businesses had prepared workplace issues they wished to discuss
- online resources of most interest to employers were the [online learning centre](#), [pay check plus](#) and [pay slip template and record-keeping fact sheets](#)
- as several businesses relied on a transient work force (e.g. backpackers) some employers paid their employees above award rates to secure a more 'reliable' workforce

## Conclusion

Although the findings of our assessments showed that 46% of the businesses assessed were not paying correct pay rates, it was encouraging to see high rates of compliance with record-keeping and pay slip practices.

To gauge the levels of ongoing compliance and a change in behaviour by the employer, many of the businesses that were found to have contraventions will be reaudited as part of the National Compliance Monitoring program 2015-16.

# About the Fair Work Ombudsman

The Fair Work Ombudsman is an independent agency created by the Fair Work Act 2009 on 1 July 2009. Our main role is to promote harmonious, productive and cooperative workplace relations.

Each year the Fair Work Ombudsman (FWO) runs proactive campaigns to assist employers and employees understand their rights and obligations under Commonwealth workplace relations laws. These campaigns can focus on particular industries, regions and/or labour market issues and are conducted on a national and state level.

This report covers the background, method and findings of the Alice Springs Education and Compliance Campaign 2014. For further information and media enquiries please contact the media team at [media@fwo.gov.au](mailto:media@fwo.gov.au)

If you would like further information about the Fair Work Ombudsman's campaigns please contact Lynda McAlary-Smith, Executive Director - Proactive Compliance and Education at [Lynda.McAlary-Smith@fwo.gov.au](mailto:Lynda.McAlary-Smith@fwo.gov.au)