



We investigated **19** security businesses in Queensland between September 2019 and July 2020.



\$389,982 recovered from **8** businesses for **163** employees



10 (53%) were non-compliant with Australian workplace laws



8 were not paying staff correctly



1 was non-compliant with pay slip and record-keeping requirements



1 had breached both their monetary and non-monetary obligations

Most common breaches:



6 weekend penalties



3 minimum hourly rate



2 pay slips

Compliance & enforcement outcomes:



11
Compliance notices
(\$389,982 back paid)



2
Infringement notices
(\$420 in fines)

Queensland security industry

What we did and why

The Fair Work Ombudsman (FWO) is concerned about ongoing compliance issues in the security industry, including sham contracting and vulnerable worker exploitation.

Between September 2019 and July 2020, we investigated 19 security businesses in Queensland (Brisbane, Gold Coast, Townsville, Mackay, Maryborough and Gympie). Intelligence suggested businesses in these areas may have been incorrectly engaging security guards as independent contractors. This included anonymous tip offs and job advertisements requiring an Australian Business Number (ABN) for role descriptions indicative of an employment relationship.

Security guards are relatively low-skilled workers and often visa holders or from culturally and linguistically diverse backgrounds. This makes them more vulnerable to non-compliant employment practices.

Fair Work Inspectors assessed employment records for a 16-week period between May and August 2019 against the *Fair Work Act 2009* (the Act), *Fair Work Regulations 2009*, and *Security Industry Award 2010*.

Our findings

10 (53%) businesses were non-compliant with Australian workplace laws.¹ Of those:

- 8 were not paying staff correctly
- 1 was non-compliant with pay slip and record-keeping requirements
- 1 had breached both their monetary and non-monetary obligations.

The most common breaches were:

- underpayment of weekend penalties (6 businesses)
- underpayment of the minimum hourly rate of pay (3)
- failure to provide a pay slip in the correct format (2).

No evidence of sham contracting was identified.

Actions taken & next steps

We recovered a total of \$389,982 for 163 employees from 8 businesses. Recoveries from individual businesses ranged from \$357,275 for 136 workers to \$102 for 1 worker.

¹ Percentages are rounded to the nearest whole number

Fair Work Inspectors issued:

- 11 compliance notices, recovering \$389,982 for 163 employees²
- 2 infringement notices, leading to \$420 paid in fines.

² 11 compliance notices were issued to 9 businesses in total