



Australian Government

Fair Work

OMBUDSMAN

QLD – South-East Queensland Tiling Industry Audit Campaign 2010 – Final Report

Summary

In late 2010 the Fair Work Ombudsman (FWO) received complaints from tiling industry stakeholders regarding alleged underpayments of tilers working in South-East Queensland. Based on the information provided, on 1 November 2010, the FWO commenced the South-East Queensland Tiling Industry Campaign (The Campaign).

Twenty employers were selected for audit and requested to send in employees' time and wage records for assessment. Fair Work Inspector's (FWI's) assessed compliance with hourly rates of pay, record keeping and payslip obligations.

Eight of the 20 businesses selected were unable to be audited for reasons including the business was no longer operating or didn't employ any employees. Of the 12 businesses audited, one employer was found to have monetary contraventions which the employer voluntarily rectified.

Further details relating to the findings can be found in the body of the report.

Background

The campaign was implemented as a result of underpayment allegations raised by tiling industry stakeholders.

Campaign aim & objectives

The aim of the campaign was to ensure compliance with the *Fair Work Act 2009* and *Fair Work Regulations 2009*. The specific objectives of the campaign were to;

- ensure employees in the South-East Queensland tiling industry are receiving their correct minimum entitlements and obligations under Commonwealth workplace laws.
- create awareness of the role of FWO
- create a level playing field within the South-East Queensland tiling industry.
- inform business of the various FWO tools available to assist them comply with their obligations.

Methodology

Focussing on the South-East Queensland Industry we used the Yellow and White Pages to identify a list of twenty employers to audit as part of the campaign.

On the 5 November 2010 employers that were selected for audit were sent a letter advising of their selection and details of what the audit would entail. The letter also specified what records the employer would need to return to FWO for assessment.

Where contraventions were identified, employers were advised verbally and by written correspondence, and asked to voluntarily rectify the contraventions.

Employers found to be compliant were also notified of the outcome of their audit by written correspondence.

Results

Statistical findings

At 4 March 2011, when the results of this campaign were compiled, we had achieved the following:

- Number of employers selected for audit - 20
- Number of employers unsuitable for audit – 8

Of the 12 audits completed;

- 11 employers were found to be compliant
- 1 employer was identified as having monetary contraventions.
- \$ 2283 was recovered for 3 employees

| Status of audits | |
|-------------------------------------|----------|
| Employers selected for audit | 20 |
| Employers unable to be audited | 8 |
| Audits finalised | 12 |
| • <i>Employers in contravention</i> | 1 (8%) |
| • <i>Employers compliant</i> | 11 (92%) |
| | |
| Money Recovered | \$2,283 |
| Employees paid | 3 |

Other findings -

The campaign revealed one employer to have monetary contraventions. The contravention was attributed to the employer not increasing rates of pay as per the employer's workplace agreement. No time and wage record keeping contraventions were identified.

During the course of the audit, we also received intelligence regarding sham contracting arrangements within the industry. We were approached by the Australian Building and Construction Commission (ABCC) and were advised that they too had received the same intelligence and were looking further into the matter

Overall the findings of this campaign were encouraging in terms of the level of compliance with hourly rates of pay and time and wage record keeping obligations.

Conclusion

This is the first campaign the FWO has undertaken in the Queensland Tiling industry and given that the industry has not specifically received previous attention from the FWO it was encouraging to find the majority of employers audited to be compliant.

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