New Fair Work laws commence today

15 September 2017

Fair Work Ombudsman Natalie James has welcomed new laws protecting vulnerable workers coming into effect today.

After gaining royal assent yesterday, the Fair Work Amendment (Protecting Vulnerable Workers) Act 2017 has now come into effect. This means new, higher penalties for serious contraventions of workplace laws and record keeping breaches start today.

New obligations extending liability for underpayment and other breaches in franchise and subsidiary networks to head offices will start in six weeks on 27 October, 2017.

The changes apply to all employers, companies and employees covered by the Fair Work Act but are particularly important for:

- franchisors and holding companies
- vulnerable employees
- people or companies who do not voluntarily cooperate with Fair Work Ombudsman investigations.

The Fair Work Ombudsman has published a range of information and resources on its website at www.fairwork.gov.au aimed at assisting all workplace participants to understand and comply with their obligations.


The Act includes a range of measures including an increase in the maximum penalties for employers who deliberately flout the minimum wage and other entitlements under the Fair Work Act 2009.

Ms James says employers also need to make sure they are meeting pay slip and record-keeping obligations (www.fairwork.gov.au/pay/pay-slips-and-record-keeping).

“Businesses that don’t keep the right records, don’t give proper pay slips, or who make false or misleading records and payslips can face higher penalties,” she said.

Ms James says franchisors and holding companies could be liable if their franchisees or subsidiaries don’t follow workplace laws, so it is important for them to make sure they take reasonable steps to prevent breaches of workplace laws in their networks.

“We will be consulting with businesses about how these laws affect them, starting with a roundtable focusing on the new franchisor liability provisions early next month,” Ms James said.

Ms James said employees should be aware that strengthening of laws relating to cashback schemes means that if their employer requires an employee to use their own money unreasonably, or makes an employee give some of their pay back to their employer or another person, this could be unlawful.

“In passing the new laws, the Parliament has reflected the community’s concerns about deliberate exploitation of vulnerable workers,” Ms James said.

“The Fair Work Ombudsman will apply the laws judiciously and fairly, and work with business to ensure employers understand their obligations under workplace laws. Employers should always check their obligations, either by accessing our free and comprehensive tools on our website, or asking their employer organisation or another qualified workplace relations adviser.

“But for those who are underpaying workers, failing to keep proper records or coercing workers to pay their wages back in cash, we will not hesitate to deploy the full set of tools in our toolbox, including using the new examination powers and seeking maximum penalties from the courts.

The Fair Work Ombudsman’s ‘Record My Hours’ smartphone app (www.fairwork.gov.au/how-we-will-help/how-we-help-you/record-my-hours-app) is aimed at tackling the persistent problem of underpayment of vulnerable young workers by using geofencing technology to provide workers with a record of the time they spend at their workplace. The app can be downloaded from the App Store and Google Play.

Employers and employees seeking assistance can also contact the Fair Work Infoline on 13 13 94. A free interpreter service is available on 13 14 50.


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