

\$288,000 penalty for failing to pay two cleaners \$3842.60

4 February 2009

An Adelaide cleaning company and its sole director have been fined a total of \$288,000 for failing to pay two cleaners less than \$4000.

The penalty is a record for the Federal Workplace Ombudsman, which prosecuted Saya Cleaning Pty Ltd and its director/company secretary Yousef Jelil.

Labelling their attitude towards their statutory obligations as “cavalier”, Federal Magistrate Simpson fined the company \$240,000 and Jelil \$48,000.

Federal Workplace Ombudsman Nicholas Wilson says the two workers, an 18-year-old female and a male recently arrived in Adelaide from Iraq, each worked a substantial number of shifts without payment.

Both remain out of pocket \$770.45 and \$3072.15 (plus super) respectively.

Mr Wilson said the high penalty reflected the Court’s finding that the underpayments were “entirely deliberate” and the company had shown no remorse for exploiting the pair.

He said the Workplace Ombudsman cautioned Jelil after inspectors first investigated the company in mid-2006 over workplace breaches and warned him at the time that any repetition would result in legal action.

Mr Wilson said the Court was sending a strong message to all employers that complying with their legal responsibilities to their workforce was an obligation, not an option – even in times of financial difficulty.

Delivering a 31-page judgment, FM Simpson said he believed the breaches would have continued if the two employees had not left the company.

He said while Jelil had at one stage written a cheque for one of the workers, he later cancelled it before it could be banked.

Mr Wilson said any employer who was unsure if they were paying staff correctly should contact the Workplace Authority Infoline on 1300 353 264 and similarly, employees worried about not receiving proper entitlements should call the Workplace Ombudsman Helpline on 1300 724 200.

NB: The previous highest penalty achieved in a Workplace Ombudsman prosecution was \$174,000 against Western Australian construction company Hanssen Pty Ltd in Perth in March, 2008 for breaches in relation to lodgement requirements of AWAs.

Page reference No: 3753

Contact us

Fair Work Online: www.fairwork.gov.au

Fair Work Infoline: 13 13 94

Need language help?

Contact the Translating and Interpreting Service (TIS) on 13 14 50

Hearing & speech assistance

Call through the National Relay Service (NRS):

For TTY: 13 36 77. Ask for the Fair Work Infoline 13 13 94

Speak & Listen: 1300 555 727. Ask for the Fair Work Infoline 13 13 94