

New app, heavier penalties reinforce record-keeping as core business

21 March 2017

By Natalie James, Fair Work Ombudsman

As workers get an innovative new tool to record their hours, it is time for businesses to take record-keeping as seriously as the courts and government.

It's time for business to get serious when it comes to keeping records on the hours and wages of their staff.

This is an important issue. The courts have shown this by penalising companies who fail to meet their legal record-keeping obligations and the Government has shown how seriously it takes this matter by putting forward legislation which would see increased penalties for those who continue to flout the law.

And now, an innovative new app will allow employees to easily maintain their own diary of work hours that can be used as a back-up resource should any concerns regarding underpayment arise.

Of course, we know the majority of business owners do the right thing and when mistakes occur, many are genuine oversights and are rectified quickly without issue.

However we still see far too many examples of records that are either deliberately misleading or so sub-standard that it's not even possible to conduct an audit and determine whether employees are being paid their correct entitlements.

In 2015/16 nearly half (48 per cent) of the cases we filed in court included alleged record-keeping contraventions.

This trend has continued in the current financial year with record-keeping allegations present in two thirds of all court proceedings initiated by the Agency in the six months from 1 July to 31 December.

In this same period, employers in these types of cases were hit with a combined \$1.8 million in penalties.

In one case, involving a 7-Eleven operator, the employer issued payslips that overstated the rate actually paid to workers, delivering incorrect information to 7-Eleven payroll as well as repeatedly providing false records to my Agency. After full admissions were eventually made, total penalties of more than \$400 000 were ordered against the operating company and director.

In another case that is currently before the courts, we allege that the records kept by a labour-hire company were so poor that our inspectors could only complete audits for five of the 265 mostly migrant staff engaged by the firm.

This is where our new Record My Hours smartphone app can make a real difference.

Using geofencing technology, the Record My Hours app will automatically and accurately record when an employee is at their workplace, becoming a helpful tool which will be closely considered by my Fair Work inspectors should there be a dispute between a business and an employee on hours worked.

Employees are able to manually edit their hours and add or delete shifts and any timesheets exported by the app will differentiate between estimated shifts and those that are manually entered.

For years we have encouraged employees to keep a diary of their hours. This app is not a new principle; it's a useful tool to make this process a lot easier and more user-friendly.

Importantly, employers can benefit from the app too.

We understand that many small businesses simply do not have the resources to implement fancy automated systems that record when an employee starts and finishes their shift.

We also understand that in many industries, such as hospitality, shifts can be irregular and employees finish up when the customer flow begins to reduce, rather than at a set time.

In these instances it's common for start times and knock-offs to be recorded in hastily scribbled hand-written notes.

In these scenarios, the hours logged by employees who use the Record My Hours App could complement the records kept on

location at the business. Employers who receive the data from their workers' app can deal with any discrepancies early, preventing disputes from surfacing and in turn preventing a visit from our inspectors.

On top of this, the app also allows rosters and work related reminders to be imported to an employee's phone.

If a dispute should arise, metadata in the app will make it clear when records have been manually edited and we will interrogate the data and the employer's own records. My Agency will only have access to an employee's data if they choose to share it with the Fair Work Ombudsman.

While the app is squarely aimed at young people who are 'digital natives' and avid users of smart phones, we believe it also has a big role to play in stamping out exploitation of migrant workers and will act as a handy tool for businesses that engage these cohorts.

At the moment, the app is available in 12 languages and we have plans to add additional languages with future updates.

So now there really is no excuse. The days of business getting off lightly when it comes to serious record-keeping breaches are over.

The courts and the Government have shown how seriously they take these breaches and the message for businesses is clear – keeping accurate payment records for your employees is just as important as keeping your tax records.

Encouraging your workforce to download and use this app will cost you nothing, but could end up saving both employees and employers hundreds, if not thousands of dollars.

Follow Fair Work Ombudsman Natalie James on Twitter [@NatJamesFWO](https://twitter.com/NatJamesFWO) (http://twitter.com/NatJamesFWO) , the Fair Work Ombudsman [@fairwork_gov_au](https://twitter.com/fairwork_gov_au) (http://twitter.com/fairwork_gov_au) or find us on Facebook www.facebook.com/fairwork.gov.au (http://www.facebook.com/fairwork.gov.au) .

Sign up to receive the Fair Work Ombudsman's media releases direct to your email inbox at www.fairwork.gov.au/mediareleases (www.fairwork.gov.au/mediareleases) .

Media inquiries:

Mark Lee, Director of Media,
Mobile: 0408 547 381
mark.lee@fwo.gov.au (<mailto:mark.lee@fwo.gov.au>)

Page reference No: 7105

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

The Fair Work Ombudsman is committed to providing advice that you can rely on. The information contained on this website is general in nature. If you are unsure about how it applies to your situation you can call our Infoline on 13 13 94 or speak with a union, industry association or workplace relations professional. Visitors are warned that this site may inadvertently contain names or pictures of Aboriginal and Torres Strait Islander people who have recently died.