

## Trolley-collection operator penalised for false records

23 May 2017

The former operator of a trolley-collection company at Wagga Wagga, in regional NSW, has been penalised almost \$30,000 for providing false records to the Fair Work Ombudsman.

Sydney man Said Sabbagh has been penalised \$4500 and a company he was the former director of, Civic National Pty Ltd, has been penalised \$25,000.

The penalties, imposed in the Federal Circuit Court, are the result of litigation by the Fair Work Ombudsman.

Sabbagh and Civic National formerly provided trolley collection services at three Woolworths supermarkets in Wagga - at Baylis Street, Gurwood Street and the Koorringal Mall. They also provided services to Big W at the Baylis Street site.

The Fair Work Ombudsman conducted a proactive audit of Civic National in 2014 as part of a [national Inquiry into the procurement of trolley collection services by Woolworths Ltd](#) ([www.fairwork.gov.au/about-us/news-and-media-releases/archived-media-releases/2016-media-releases/june-2016/20160625-woolworths-trolley-mr](http://www.fairwork.gov.au/about-us/news-and-media-releases/archived-media-releases/2016-media-releases/june-2016/20160625-woolworths-trolley-mr)), which found significant levels of non-compliance at various sites visited.

A Fair Work inspector issued Sabbagh and Civic National a Notice to Produce Records for Documents relating to employees.

In response, Sabbagh provided records that he knew contained false information relating to a number of employees, including in relation to amounts paid.

For example, the employment records purported to show one employee had performed paid work when Department of Immigration and Border Protection records show he was actually not in Australia during the relevant period.

The records also purported to show that tax had been deducted from a number of employees' wages, yet Australian Taxation Office records showed that no tax was paid to the Australian Taxation Office by Civic National on behalf of the employees for the relevant period.

Fair Work Ombudsman Natalie James says the conduct was extremely serious because it was deliberate and the lack of accurate records prevented inspectors from determining whether Civic National employees had been paid their minimum lawful entitlements.

"We treat blatant record-keeping contraventions particularly seriously and we will not hesitate to take enforcement action against employers when we see this type of conduct," Ms James said.

"While we appreciate bookkeeping for employers can seem complex, it is completely unacceptable for an employer to fail to keep accurate records of the hours their employees work and what they are paid.

"When employers fail to keep records of the hours their staff work, it can be difficult or impossible to determine whether an employee has been paid correctly," Ms James said.

Since publication of the Inquiry Report findings, the Fair Work Ombudsman has been working closely with Woolworths on a range of measures designed to enhance labour supply chain compliance.

"The procurement of trolley collectors by major supermarkets has been one of our key areas of interest for more than a decade – we are encouraged by the impact we have made and the responses by companies such as Coles and more recently Woolworths," Ms James said. To find out more read the report on the status of the Fair Work Ombudsman's [enforceable undertaking with Coles](#) ([www.fairwork.gov.au/reports/coles-eu-report/status-of-the-enforceable-undertaking-between-the-fwo-and-coles-supermarkets-australia-pty-ltd](http://www.fairwork.gov.au/reports/coles-eu-report/status-of-the-enforceable-undertaking-between-the-fwo-and-coles-supermarkets-australia-pty-ltd))

"We hope to be able to report upon the progress we have made with Woolworths later this year in regards to this sector. Put simply, we do not consider it either morally or ethically responsible for pricemakers to take advantage of vulnerable workers within labour supply chains and once again we call upon all supermarkets to ensure they have full visibility and knowledge of the compliance levels of those businesses that collect trolleys on their behalf."

In a recent speech ([www.fairwork.gov.au/about-us/news-and-media-releases/2017-media-releases/may-2017/20170502-aig-2017-speech](http://www.fairwork.gov.au/about-us/news-and-media-releases/2017-media-releases/may-2017/20170502-aig-2017-speech)), Ms James said that low penalties are creating an incentive for unprincipled employers to breach record keeping laws.

The agency recently released the 'Record My Hours' app, designed to safeguard workers in the event their employer has failed to

comply with their legal record keeping obligations. The app, which equips workers with a record of the time they spend at their workplace by using geofencing technology to register when they arrive at work and when they leave, is available for download from iTunes or Google Play stores.

Employers and employees seeking assistance can visit [www.fairwork.gov.au](http://www.fairwork.gov.au) or contact the Fair Work Infoline on 13 13 94.

An interpreter service is available by calling 13 14 50 and information on the website is translated into 27 different languages.

In recognition that some employees are reluctant to complain about their workplace issues, the Fair Work Ombudsman now has an "Anonymous Report" function to allow the community to report potential workplace breaches. Intelligence can be provided confidentially at [www.fairwork.gov.au/tipoff](http://www.fairwork.gov.au/tipoff) (<http://www.fairwork.gov.au/tipoff>)

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## Contact us

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Fair Work Infoline: 13 13 94

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