

## UAE Exchange to back-pay workers \$1.3 million

2 August 2018

Foreign currency exchange business UAE Exchange Australia Pty Ltd will change its workplace practices and back-pay workers under a new Enforceable Undertaking signed with the Fair Work Ombudsman.

Between 2010 and 2017, workers from UAE Exchange were underpaid wages or required to “make good” daily till shortages, which is a breach of the Fair Work Act’s prohibition on unauthorised deductions from pay. The total back-payment bill for 243 workers is \$1,335,664.

The investigation was sparked after an employee at a Queensland branch lodged a request for assistance in late 2015 following underpayment concerns. The worker held a student visa during most of his employment. Two workers from Adelaide later lodged similar requests and their allegations were included in the investigation.

The FWO found that the three workers, each from India, were paid flat rates that led to underpayments or non-payments of minimum rates for ordinary hours, casual loadings and penalty rates for evening, weekend, overtime and public holidays.

For example, the Queensland worker received flat hourly rates of between \$15.38 and \$20.42 between 2011 and 2015. Under the applicable award, the worker was entitled to hourly base rates including casual loadings of up to \$23.74, up to \$37.98 for Sunday hours and \$52.22 on public holidays.

The investigation disclosed that the applicable award covering the three workers was the General Retail Industry Award 2010, as UAE Exchange’s main business activities involve providing foreign exchange and money transfer services on a retail basis to individual consumers.

The company has back-paid the three workers a combined \$100,253, with individual payments ranging from \$21,319 to \$52,269 for the Queensland worker.

Prior to signing the Enforceable Undertaking with the Fair Work Ombudsman, the company undertook a full external audit of the wages and entitlements of all its employees for the period January 2011 to June 2017. The audit found 240 workers were owed a combined \$1,235,411. This was made up of \$1,065,391 in underpaid wages and \$170,018 for cash shortage reimbursements.

The 240 workers were owed individual amounts between 20 cents to \$34,870. UAE Exchange has rectified \$407,329 of the amount identified by the full audit, and under the Enforceable Undertaking must make the remaining back-payments by the end of September 2018.

Fair Work Ombudsman Sandra Parker said that Enforceable Undertakings ensure past and present workers receive back-payments quicker than if court action was required.

"Under the Enforceable Undertaking, UAE Exchange is required to make major improvements to its workplace practices, with current and future workers to benefit. This action serves as a warning to global businesses that if you don't get your workplace compliance in order, you can be left with a massive back-payment bill," Ms Parker said.

"The Fair Work Ombudsman takes matters involving visa-holders and workers from culturally and linguistically diverse backgrounds particularly seriously. Every single worker in Australia has the same workplace rights, regardless of their citizenship, visa status, ethnicity or cultural and linguistic background," Ms Parker said.

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Background

UAE Exchange’s global headquarters are in the United Arab Emirates. They have an Australian head office and 30 branches nationally providing international money transfer services.

The Fair Work Ombudsman’s investigation in 2016 involved a detailed assessment of the duties performed by UAE Exchange workers who lodged requests for assistance. The Fair Work Ombudsman determined that the General Retail Industry Award 2010

provided the appropriate coverage for the activities of the workers and revised our advice to the company in 2017, having previously provided advice under the Banking, Finance and Insurance Industry Award 2010. Prior to 2017, UAE Exchange did not pay wages in line with either award.

The FWO determined the Retail Award applied as UAE Exchange's main business activities involve providing foreign exchange and money transfer services on a retail basis to individual consumers.

The workers' activities included selling to and purchasing from the public foreign currency, cashing travellers' cheques, transacting instant money transfers on behalf of the public, selling to the public travel money cards, and completing end of day reconciliation of cash and money transactions.

The company fully cooperated with the Fair Work Ombudsman investigation and entered into an Enforceable Undertaking to ensure future workplace compliance.

The Enforceable Undertaking includes a requirement for the company to engage, at its own expense, an external auditor to conduct audits checking compliance with workplace laws across its branches during the next two years. Any underpayments must be rectified.

The company is also required to ensure that all staff with responsibility for human resources, recruitment or payroll functions undertake workplace relations training and complete the Fair Work Ombudsman's [online training \(https://www.fairwork.gov.au/how-we-will-help/online-training\)](https://www.fairwork.gov.au/how-we-will-help/online-training) .

Under the Enforceable Undertaking, the company will reimburse any employee who was back-paid \$20,000 or more for the costs of obtaining independent financial advice, up to \$500 each.

UAE Exchange has also agreed to donate \$50,000 to five community services, with \$10,000 each to go to the Australian Migrant Resource Centre, the Council of International Students Australia and community legal centres in Queensland, South Australia and NSW.

UAE Exchange must publish a notice regarding the Enforceable Undertaking in the Australian Financial Review. It must also display a notice about this in all workplaces controlled by the company, and an online notice on the company Facebook page and websites. The company must send letters of apology to the three workers who made requests for assistance.

Employers and employees can seek assistance at [www.fairwork.gov.au](http://www.fairwork.gov.au) or contact the Fair Work Infoline on 13 13 94. A free interpreter service is available on 13 14 50.

Information on the website can be translated into 40 languages other than English.

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- Download the [UAE Exchange Australia Pty Ltd Enforceable Undertaking \(DOCX 192.6KB\) \(https://www.fairwork.gov.au/ArticleDocuments/1179/uae-exchange-enforceable-undertaking-redacted.docx.aspx\)](https://www.fairwork.gov.au/ArticleDocuments/1179/uae-exchange-enforceable-undertaking-redacted.docx.aspx) (PDF 2.6MB) (<https://www.fairwork.gov.au/ArticleDocuments/1179/uae-exchange-enforceable-undertaking-redacted.pdf.aspx>)

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Fair Work Infoline: 13 13 94

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