

New legal action focuses on redundancy laws

27 February 2018

The Fair Work Ombudsman has brought proceedings relating to redundancy entitlements, in a new legal action against services company Spotless Services Australia Limited for allegedly contravening workplace laws when it terminated the employment of three workers at Perth International Airport.

In documents lodged in the Federal Court, the Fair Work Ombudsman alleges Spotless Services Australia Limited contravened the Fair Work Act when it failed to pay a total of \$29,013 in redundancy entitlements owing to the three workers.

The workers were among more than 30 whose employment was terminated by Spotless in 2015 after Spotless's contracts to provide catering and hospitality services at Perth International Airport expired and were not renewed.

Spotless had employed one of the three workers, an administration/accounts manager, for 32 years and had employed the other two workers, one a retail manager and the other performing various roles, for about four-and-a-half years.

The Fair Work Ombudsman investigated after the workers lodged requests for assistance.

Under the Fair Work Act, redundancy entitlements are payable when an employee's job is made redundant unless limited exceptions apply. One exception is where termination of employment is due to the 'ordinary and customary turnover of labour'. The Fair Work Ombudsman alleges that exceptions do not apply to these three workers, and that they were entitled to redundancy pay.

Spotless has back-paid the three workers but has not admitted liability under the Fair Work Act.

The Fair Work Ombudsman alleges Spotless also contravened the Fair Work Act by failing to adhere to the requirement for employers to give written notice to Centrelink before dismissing 15 or more employees in certain circumstances.

Fair Work Ombudsman Natalie James says it is hoped the legal action will provide greater clarity around the situations in which redundancy entitlements must lawfully be paid.

"Federal Court consideration of this area of the law will serve to provide greater guidance to employers as to situations in which redundancy entitlements must be paid and situations in which Centrelink must be notified."

Spotless faces maximum penalties of \$25,500 to \$51,000 per contravention for multiple alleged contraventions of the Fair Work Act. A case management hearing is scheduled for the Federal Court in Perth on 16 March, 2018.

Employers and employees seeking assistance can visit www.fairwork.gov.au or call the Fair Work Infoline on 13 13 94. An interpreter service is available by calling 13 14 50.

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

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Contact us

Fair Work Online: www.fairwork.gov.au

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Hearing & speech assistance

Call through the National Relay Service (NRS):

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

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