

Lycamobile penalised \$25,000

15 October 2018

The Fair Work Ombudsman has secured a penalty against the Australian arm of global mobile SIM card provider Lycamobile for underpaying an employee's wages.

Lycamobile Pty Ltd has been penalised \$25,000 in the Federal Circuit Court after it admitted underpaying an administrative employee at its NSW office in Parramatta a total of \$5,264 in overtime entitlements.

Between 2012 and 2015, a Lycamobile employee was routinely required to work more than 38 hours per week and performed work on Saturdays. However, she was not paid the full overtime entitlements under the Telecommunication Services Award 2010.

In a separate matter, the Fair Work Ombudsman secured a \$59,400 penalty against the same company for underpaying 13 employees in Adelaide and Brisbane a total of \$28,034 in 2013.

Fair Work Ombudsman Sandra Parker said the regulator investigated after receiving a request for assistance from the employee.

"Under Australia's workplace laws, employers are legally obliged to pay employees their full minimum entitlements. The Fair Work Ombudsman is prepared to take enforcement action if a business disregards that obligation," Ms Parker said.

"It is unacceptable for an employer to continue to underpay employee entitlements after being formally sanctioned by the Court. This penalty sends a clear message that repeat breaches of workplace laws will be met with a serious response," Ms Parker said.

Judge Sylvia Emmett found that the underpayment was the result of Lycamobile's "recklessness rather than mere accident" and that it was "egregious" that the company had failed to take steps to ensure compliance after being penalised in 2013.

"I accept that a meaningful penalty is one that sends a message to employers and the public at large that repeat offending is serious and should be treated as such by the Court," Judge Emmett said.

The worker was back paid in full before the Fair Work Ombudsman commenced legal action in 2017.

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

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