

Sydney hair salon ordered to pay \$77,000 in penalties

12 February 2019

The Fair Work Ombudsman has secured more than \$77,000 in penalties against the operator of a Sydney hair salon for underpaying a teenage apprentice in her first job more than \$14,000.

The Federal Circuit Court has penalised Jakoub Abboud \$7873.20 and his company Hair-Rass Me Pty Ltd, which formerly operated a salon of the same name at the Westfield Penrith shopping centre on High Street, a further \$70,000.

Hair-Rass Me underpaid the employee \$14,507 between July 2015 and July 2016, when she was aged between 15 and 17. The Court has also ordered Mr Abboud and his company to back-pay the employee in full, plus interest.

The apprentice generally worked 50-hour weeks but was paid weekly amounts that were not sufficient to cover all of her entitlements under the Hair and Beauty Industry Award 2010.

For example, in one week, the apprentice was paid \$300 despite being entitled to \$653.90.

The underpayments occurred despite Mr Abboud being aware of the lawful obligation to pay minimum Award entitlements, following dealings with the FWO.

Fair Work Ombudsman Sandra Parker said the court has sent a strong message to employers that underpayment of vulnerable young workers is unacceptable conduct.

“Young workers, including apprentices, are often not fully aware of their entitlements and we find that they are reluctant to complain, which can make them particularly vulnerable to exploitation,” Ms Parker said.

“Employers have a lawful responsibility to make themselves aware of the minimum wages and entitlements that apply to their employees, and to pay them in full. Ignorance of the law is never an acceptable defense for exploitation of workers.”

Most of the underpayment related to overtime entitlements. Mr Abboud’s company also failed to correctly pay the employee minimum apprentice rates for ordinary hours, penalty rates for weekends and public holidays and annual leave entitlements.

The company also failed to pay any superannuation for the apprentice and failed to reimburse her the cost of a training course, as required under the Award.

Mr Abboud and his company also breached workplace laws during the FWO’s investigation by failing to comply with a Notice to Produce employment records.

Employers and employees can seek assistance at www.fairwork.gov.au or contact the Fair Work Infoline on 13 13 94. A free interpreter service is available on 13 14 50 and information on the website is translated into 40 languages.

Online resources available to assist apprentices and their employers to understand their rights and obligations can be accessed at [Apprentice entitlements \(www.fairwork.gov.au/apprentice-entitlements\)](http://www.fairwork.gov.au/apprentice-entitlements) and [Hiring employees \(www.fairwork.gov.au/hiring\)](http://www.fairwork.gov.au/hiring) .

The FWO’s ‘Record My Hours’ smartphone app (www.fairwork.gov.au/tools-and-resources/record-my-hours-app) is aimed at tackling the persistent problem of underpayment of vulnerable young workers by using geofencing technology to provide workers with a record of the time they spend at their workplace.

Videos available on the Fair Work Ombudsman’s YouTube channel (<https://www.youtube.com/user/FairWorkGovAu>) [📺](#) address issues commonly experienced by young workers and provide tips for dealing with workplace concerns. Our popular [Anonymous Report function \(www.fairwork.gov.au/about-us/news-and-media-releases/2017-media-releases/july-2017/20170731-migrant-worker-anon-report-tool\)](http://www.fairwork.gov.au/about-us/news-and-media-releases/2017-media-releases/july-2017/20170731-migrant-worker-anon-report-tool) is also available for employees.

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Media inquiries:

Ryan Pedler, Assistant Director - Media
Mobile: 0411 430 902
ryan.pedler@fwo.gov.au (mailto:ryan.pedler@fwo.gov.au)

Page reference No: 8837

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.