

FWO recovers almost \$40,000 for workers

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The Fair Work Ombudsman (FWO) has recovered wages for 99 underpaid Melbourne workers in a [joint campaign \(www.fairwork.gov.au/about-us/news-and-media-releases/2017-media-releases/june-2017/20170620-fwo-asic-joint-campaign\)](http://www.fairwork.gov.au/about-us/news-and-media-releases/2017-media-releases/june-2017/20170620-fwo-asic-joint-campaign) with the Australian Securities and Investments Commission (ASIC).

Fair Work Inspectors and ASIC analysts visited 48 small to medium-sized businesses in and around Melbourne's CBD – including the suburbs of Balwyn, Carlton, North Melbourne and Port Melbourne.

The FWO and ASIC targeted businesses that were run by first-time directors operating across a range of sectors, such as accommodation and food services, construction, and rental, hiring and real estate services. These businesses had not previously been audited by the FWO.

Inspectors found that 26 businesses were fully compliant with their lawful obligations under the Fair Work Act. Of the remaining 22 businesses visited, six had pay slip and record-keeping contraventions, nine had monetary contraventions, and seven had both pay slip and record-keeping and monetary contraventions.

The largest underpayment occurred at a CBD noodle bar that short-changed 14 employees a total of \$8,694, as a result of underpaying minimum hourly rates and penalty rates over a six-month period.

Inspectors issued two formal cautions. There were also eight Infringement Notices totalling \$7,020 in fines issued for pay slip and record-keeping breaches. A Compliance Notice was issued for a restaurant, requiring the employer to back-pay \$5,303 to 14 workers.

All businesses agreed to back-pay employees in-full after being educated by inspectors. In total, 99 employees were back-paid \$39,362 by 14 businesses.

Fair Work Ombudsman Sandra Parker said ignorance is no excuse for underpaying employees.

"During our surprise visits of several Melbourne workplaces, we were alarmed to discover that many first-time company directors were not aware of their lawful obligations under Australia's workplace relations laws," Ms Parker said.

"If you are new to running a business, it is your responsibility to ensure you understand your workplace obligations before you hire any employees. The Fair Work Ombudsman has a range of free [tools and resources \(www.fairwork.gov.au/small-business-showcase\)](http://www.fairwork.gov.au/small-business-showcase) available to help directors get the basics right as quickly as possible. Any directors with concerns should contact us before we visit their business," Ms Parker said.

All non-compliant businesses were put on notice that they may be re-audited in future.

ASIC analysts spoke with the first-time company directors about their responsibilities under the Corporations Act and provided a range of education resources.

The Fair Work Ombudsman's [Small Business Showcase \(www.fairwork.gov.au/small-business-showcase\)](http://www.fairwork.gov.au/small-business-showcase) makes it easier for small business owners to access resources on workplace laws. Small business operators can opt to receive priority service by calling the Fair Work Infoline on 13 13 94. Small business owners can also learn skills and strategies to help them run their business by taking the FWO's [online courses \(www.fairwork.gov.au/learning\)](http://www.fairwork.gov.au/learning).

Employers seeking assistance from ASIC can visit [www.asic.gov.au \(https://www.asic.gov.au\)](http://www.asic.gov.au) or call the ASIC Customer Contact Centre on 1300 300 630.

Download the FWO-ASIC Joint Audit Campaign Report (DOCX 385.9KB) (<https://www.fairwork.gov.au/ArticleDocuments/714/fwo-asic-joint-audit-campaign-report.docx.aspx>) (PDF 554.3KB) (<https://www.fairwork.gov.au/ArticleDocuments/714/fwo-asic-joint-audit-campaign-report.pdf.aspx>)

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