

Silo manufacturer penalised

9 April 2020

The Fair Work Ombudsman has secured penalties totalling \$60,000 against a silo manufacturer for underpaying workers and failing to produce employment records.

The Federal Circuit Court imposed a \$50,000 penalty against Lindsay F Nelson Manufacturing Pty Ltd, which trades as Nelson Silos in Rochester, Victoria, and \$10,000 against one of the company's directors and part-owners, Eric Frederick Nelson.

The Court found that a casual driver who delivered silos for the company was underpaid \$3,663 and a full-time turner and fitter who helped manufacture silos was underpaid \$8,522 between 2012 and 2016.

The driver was paid a flat rate of \$20.62 for all hours worked when he was entitled to minimum casual rates of \$23.46 for local driving work, minimum casual rates of \$32.38 for long distance driving work and overtime rates of up to \$39.42.

The driver also did not receive overtime meal allowances.

The turner and fitter was underpaid his accrued annual leave when he left his job at Nelson Silos. He was owed \$10,574 but was instead initially paid just over \$2,000.

Both employees have been repaid all wages and entitlements owed to them.

Fair Work Ombudsman Sandra Parker said Nelson Silos had a long history of non-compliance.

"The Fair Work Ombudsman has previously put this employer on notice about its lawful obligations to its employees under Australia's workplace laws. We encourage any workers with concerns about their wages or entitlements to contact us for free assistance," Ms Parker said.

During its investigation, a Fair Work Inspector issued Mr Nelson a Notice to Produce employment records in relation to the two workers. Mr Nelson failed to provide records in relation to the driver.

The Court found this was a breach of workplace laws requiring a person to comply with a written Notice to Produce unless they have a reasonable excuse. The penalty imposed for this breach made up a proportion of the overall penalties the Court imposed on Nelson Silos and Mr Nelson.

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 on 13 14 50.

Know a workplace that isn't doing the right thing but don't want to get involved? [Report it to us anonymously \(www.fairwork.gov.au/how-we-will-help/how-we-help-you/anonymous-tipoff\)](http://www.fairwork.gov.au/how-we-will-help/how-we-help-you/anonymous-tipoff) – in your language.

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Contact us

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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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