

## Online directory business in court

13 October 2020

The Fair Work Ombudsman has commenced legal action in the Federal Circuit Court against the operators of an online business based in the Melbourne suburb of Cranbourne North.

Facing court are PEBS Group Pty Ltd, which sells advertising space in the online directory [www.rainbowflag.com.au](http://www.rainbowflag.com.au) (<http://www.rainbowflag.com.au/>) and the company's manager and sole director, Shane McGrath.

The regulator investigated after receiving requests for assistance from telemarketing employees, who had been engaged by PEBS Group to cold call businesses to try to get them to buy advertising space in the online directory.

A Fair Work Inspector issued a Compliance Notice in February this year after forming a belief that the company had underpaid five employees for periods of work between June and August, 2019.

Three of the employees were young workers. The inspector believed that four of the employees were paid no wages at all, while the other was not paid for all hours worked, resulting in underpayment of wages and leave entitlements under the Clerks – Private Sector Award 2010.

The FWO alleges that the company, without reasonable excuse, failed to comply with the Compliance Notice. The notice required the company to calculate and back-pay the workers' entitlements.

In line with the FWO's proportionate approach to regulation during the COVID-19 pandemic, the FWO attempted to secure voluntary compliance before commencing proceedings.

Fair Work Ombudsman Sandra Parker said that the regulator would continue to enforce workplace laws and take businesses to court where lawful requests are not complied with.

"Under the Fair Work Act, Compliance Notices are important tools used by inspectors if they form a belief that an employer has breached workplace laws."

"Where employers do not comply with our requests, we will take appropriate action to protect employees. A court can order the business to pay penalties in addition to back-paying workers," Ms Parker said.

"Any employees with concerns about their pay or entitlements should contact the Fair Work Ombudsman for free assistance."

The Fair Work Ombudsman is seeking penalties against PEBS Group and Mr McGrath. It also seeks orders for the company to comply with the Compliance Notice, which includes rectifying any underpayments in full, plus superannuation and interest.

PEBS Group is facing a maximum penalty of \$31,500, while Mr McGrath is facing a maximum penalty of \$6,300. A directions hearing is listed in the Federal Circuit Court in Melbourne on 11 November 2020.

Employers and employees can visit [www.fairwork.gov.au](http://www.fairwork.gov.au) or call the Fair Work Infoline on 13 13 94 for free advice and assistance about their rights and obligations in the workplace. A free interpreter service is available on 13 14 50.

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Fair Work Infoline: 13 13 94

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