

Cleaners allegedly underpaid over \$100,000

26 April 2021

The Fair Work Ombudsman has commenced legal action against a contract cleaning company in regional WA, alleging it underpaid employees more than \$119,000 and falsified records.

The FWO has commenced proceedings in the Federal Circuit Court against Carnarvon Cleaners Pty Ltd, which is based at Carnarvon in WA's Gascoyne region and holds cleaning contracts with many corporate and government clients in the area.

Also facing court is the company's sole shareholder and director, Margaret Herlysha Seaton.

The regulator alleges Carnarvon Cleaners underpaid 35 employees a total of \$119,318 under the Cleaning Services Award 2010 between November 2017 and November 2018.

All affected workers were employed as cleaners to service the premises of Carnarvon Cleaners' clients. Some workers also performed gardening and trolley collecting duties. Individual alleged underpayments range from \$69 to \$16,303.

It is alleged that Carnarvon Cleaners also breached record keeping laws, including by knowingly making and keeping false or misleading records and providing them to Fair Work Inspectors.

It is further alleged that the underpayments occurred despite the FWO having made Carnarvon Cleaners and Ms Seaton aware of their lawful obligations under the Cleaning Services Award 2010 during previous audits between 2010 and 2014.

Fair Work Ombudsman Sandra Parker said it was unacceptable for an employer to fail to take appropriate corrective action after being put on notice.

"A key role of the Fair Work Ombudsman is to help businesses understand and comply with their responsibilities under workplace laws. This can include assisting employers to rectify any breaches and put processes in place to protect their employees into the future. There is no excuse for repeated breaches of the law. Any business who needs assistance should contact us."

The alleged breaches were discovered when FWO investigated Carnarvon Cleaners as part of a national auditing campaign in 2018.

Entitlements allegedly underpaid include minimum-engagement pay, casual loadings, part-time allowances, weekend and public holiday penalty rates, overtime rates, annual leave loading, broken-shift allowances and leading-hand allowances. Employees have been back-paid in full.

It is alleged Ms Seaton was involved in all of Carnarvon Cleaners' breaches. Carnarvon Cleaners faces potential penalties of up to \$63,000 per contravention and Ms Seaton faces potential penalties of up to \$12,600 per contravention. The FWO is also seeking a court order requiring Ms Seaton to undergo training in workplace relations laws.

A directions hearing is listed in the Federal Circuit Court in Perth on 11 May 2021.

Employers and employees can visit 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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Contact us

Fair Work Online: www.fairwork.gov.au

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Call through the National Relay Service (NRS):

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