

Hair and Beauty campaign recoups \$140,000 for 223 salon staff

13 January 2010

Two hundred and twenty three hairdressing and beauty salon employees throughout Australia are to be reimbursed a total of \$140,000 after investigations by the Fair Work Ombudsman found they were underpaid.

Fair Work inspectors have randomly scrutinised the books of 330 hair and beauty salons in all states and territories as part of an Australia-wide campaign.

Apart from the underpayments, the campaign identified:

- Some workers being paid in foreign currency,
- Unlawful deductions being made from workers' pay packets for purchases of hair and beauty products,
- Apprentices being sacked on the basis of a downturn in work,
- Some businesses relying on salon appointment books as employment records for staff, and
- Non-payment of correct shift, weekend and public holiday rates.

Acting Fair Work Ombudsman Natalie James says the industry was targeted because of the large number of complaints it was generating.

Three salons alone were found to have underpaid 11 staff more than \$86,000.

"We are mindful that this is an industry which employs large numbers of young females and a significant number of apprentices," she said.

In the latest campaign, inspectors found 130 of the 330 employers audited to be non-compliant. Of these, 78 had minor breaches relating to payslips and time-and-wages records and 52 recorded monetary contraventions.

The campaign will recoup:

- \$55,000 for 106 workers in Queensland,
- \$31,000 for 29 workers in NSW and the ACT,
- \$23,000 for 20 workers in Victoria,
- \$14,500 for 26 workers in SA,
- \$7000 for 21 workers in the NT,
- \$7000 for 15 workers in Tasmania, and
- \$2000 for six workers in WA.

Ms James says her Agency wrote to more than 2000 employers nationally to alert them to the campaign and provide information about resources available to assist them to comply with workplace laws.

Those randomly selected for audit were asked to provide time and wage records and other information for a specified two-week period, including a public holiday, so inspectors could assess whether or not they were compliant.

"If we found a minor contravention that did not disadvantage an employee, then we asked the employer to complete a compliance commitment form and to voluntarily rectify the issue," Ms James said.

"Where we found a more serious breach, we asked the employer to undertake an audit of all employees and to rectify any underpayments.

"In some cases, if employers were not willing to voluntarily resolve the issue or if the contravention was blatant, we have escalated the audit to full investigation."

Ms James said 32 employers nationally remained under investigation and did not rule out the possibility of legal action in some cases.

She said the campaign findings highlighted the need for the Fair Work Ombudsman to continue to provide education and advice to the hair and beauty industry and to monitor and enforce compliance.

In 2008, a State-wide campaign targeting the hair and beauty sector in Western Australia recouped \$40,000 in underpayments for 34 salon employees.

And in July last year, a campaign focused on the hair and beauty industry in Victoria's Gippsland region recovered \$7300 for 11 staff. Eighty per cent of 56 businesses selected passed the audit checks. Gippsland was not part of the latest campaign.

Employers or employees seeking assistance should contact the Fair Work Infoline on 13 13 94 or visit www.fwo.gov.au.

National Hair and Beauty Campaign - pdf 58KB

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