

Two Melbourne companies reimburse underpaid workers almost \$400,000

10 March 2010

Two Melbourne companies have reimbursed staff almost \$400,000 in back-pay after investigations by the Fair Work Ombudsman found the workers had been underpaid.

In the first case, a total of \$250,000 has recently been recouped for more than 100 employees at a Melbourne call centre.

The Fair Work Ombudsman started investigating the company after telemarketers and other call centre staff complained about being underpaid.

Fair Work inspectors found they were being underpaid the minimum hourly rate.

When inspectors advised the employer, the company agreed to back-pay the complainants and check its books with inspectors to ensure other workers had not been underpaid as well.

The subsequent audit found that a total of 121 current and former employees had been inadvertently underpaid a total of \$250,000 since August, 2005.

The biggest underpayment of a single worker was \$8500.

In a second and unrelated case, the Fair Work Ombudsman has also recovered \$142,000 for 29 IT workers in the Melbourne CBD.

The regulator investigated employee complaints that the company had failed to pay their wages. The employer told inspectors it was having financial difficulties and could not afford to pay its staff.

However, after the company was briefed on its legal obligations, the workers were promptly paid their outstanding entitlements.

Fair Work Ombudsman Executive Director Michael Campbell says that as both companies co-operated with inspectors, corrected their processes and promptly rectified all underpayments, there would be no further action against them.

“Our preference is always to work with employers to educate them and help them voluntary rectify any non-compliance issues we identify,” he said.

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

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Fair Work Online: www.fairwork.gov.au

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