

## Adelaide trolley collectors allegedly underpaid \$165,000 – two companies to face court

14 August 2011

Note: Reference to prosecution in this media release is a general reference to the FWO commencing proceedings for the imposition of civil penalties and should not be taken to be a reference to criminal proceedings.

Two Adelaide companies will face court for allegedly underpaying their trolley collectors more than \$165,000.

The trolley collectors worked at shopping centres in Marion, West Lakes, Elizabeth, Kurralta Park and Fairview Park.

The mostly foreign male workers in their twenties are from Korea, Nepal, Burma and India.

They were allegedly underpaid their minimum hourly rates, overtime, superannuation entitlements and weekend penalty rates.

It is alleged they were paid flat hourly rates as low as \$14.31.

At times, they were allegedly entitled to receive more than \$30 an hour for some weekend and overtime work.

The underpayments allegedly range from \$500 to as much as \$8000.

The Fair Work Ombudsman has initiated legal action against South Jin Pty Ltd and Coastal Trolley Services Pty Ltd.

Coastal Trolley Services holds contracts to provide trolley collecting services at a number of major Adelaide shopping centres.

The company has paid South Jin to fulfil some of those contracts in a sub-contracting arrangement.

Documents lodged in the Federal Magistrates Court in Adelaide allege that 48 trolley collectors were underpaid a total of \$165,323 between February, 2009 and November, 2010.

The Fair Work Ombudsman claims that South Jin, the employer of the trolley collectors, directly breached workplace laws by underpaying employee entitlements.

The company is also accused of contravening laws relating to employment records and pay slips.

Court papers allege that Coastal Trolley Services was involved in the underpayment breaches because it was aware – or was reckless to the fact – that under the sub-contracting price it paid South Jin, South Jin could not feasibly provide the required trolley collecting services without undercutting minimum wage rates.

Fair Work Ombudsman Nicholas Wilson says the decision to prosecute was made because of the significant amount involved and the employer's failure to rectify the matter.

Mr Wilson says the prosecution of Coastal Trolley Services is the first time his Agency has taken legal action against a company allegedly because the contract did not allow for proper wages to be paid.

"In cases where we believe breaches of workplace laws have occurred, we are committed to scrutinising the commercial processes behind those breaches and holding any involved parties to account," he said.

It is alleged Coastal Trolley Services was involved in South Jin committing multiple breaches of workplace laws.

Coastal Trolley Services director and majority-owner Edward Stroop, of Ingle Farm, and South Jin sole owner and director Ki Bok Jin, of Salisbury Heights, were also allegedly involved in some of the breaches.

The companies each face maximum penalties of up to \$33,000 per breach and Mr Stroop and Mr Jin each face maximum penalties of \$6600 per breach.

As well as penalties, the Fair Work Ombudsman is seeking a Court Order for South Jin to rectify the alleged underpayments.

Meanwhile, the Fair Work Ombudsman has also announced it will make educational visits to about 1000 small and medium-sized businesses throughout Adelaide between now and Christmas.

Particular focus will be on travel agents, doctors and dentists, as well as businesses involved in general retail, food retail, hospitality, personal services, office administration and child care.

The informal visits aim to assist employers understand national workplace laws, including the National Employment Standards and Modern Awards.

Employers or employees seeking assistance should contact the Fair Work Infoline on 13 13 94 or visit [www.fairwork.gov.au](http://www.fairwork.gov.au).

A free interpreter service is available on 13 14 50 and information on the website is translated into 27 different languages.

The Fair Work Ombudsman has also recently launched 14 Online videos to assist foreign workers understand their workplace rights and entitlements.

The short videos - available at [www.youtube.com/fairworkgovau](http://www.youtube.com/fairworkgovau)  (<http://www.youtube.com/user/FairWorkGovAu>) - are presented by native speakers of Mandarin, Cantonese, Indonesian, Serbian, Arabic, Dari, Farsi, Khmer, Korean, Spanish, Vietnamese, Thai and Turkish. There is also an English version.

Follow the Fair Work Ombudsman on [Twitter @fairwork\\_gov\\_au](https://twitter.com/fairwork_gov_au)  ([https://twitter.com/fairwork\\_gov\\_au](https://twitter.com/fairwork_gov_au)) .

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## Contact us

Fair Work Online: [www.fairwork.gov.au](http://www.fairwork.gov.au)

Fair Work Infoline: 13 13 94

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Contact the Translating and Interpreting Service (TIS) on 13 14 50

Hearing & speech assistance

Call through the National Relay Service (NRS):

For TTY: 13 36 77. Ask for the Fair Work Infoline 13 13 94

Speak & Listen: 1300 555 727. Ask for the Fair Work Infoline 13 13 94

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