

Brisbane director faces court over alleged \$26,000 underpayment

28 February 2011

Note: The Fair Work Ombudsman has discontinued the legal action detailed in this media release.

The Fair Work Ombudsman has launched a prosecution against the former sole director of a Brisbane food manufacturer over more than \$26,000 in alleged underpayments of seven workers.

Facing court is Mervyn Douglas Costello, of The Gap, who was the sole director of BSF Manufacturing Pty Ltd before the company went into liquidation last year.

The company traded as 'Baked Snack Foods' and manufactured and baked cookies, muesli bars, fruit bars and other types of bars at a factory in Lawnton.

Documents lodged in the Federal Magistrates Court in Brisbane allege Mr Costello was centrally involved in BSF Manufacturing underpaying seven full-time employees \$26,082 in 2008.

It is alleged the employees were variously underpaid their minimum hourly rates, pay-in-lieu-of-notice and annual leave entitlements.

The alleged individual underpayment amounts range from \$117 to \$7230.

Fair Work Ombudsman Executive Director Michael Campbell says the decision to prosecute was made because of the significant amount involved and the employer's failure to rectify the matter.

The Fair Work Ombudsman cannot prosecute BSF Manufacturing Pty Ltd because the company is in liquidation.

Court documents allege Mr Costello was involved in six breaches of workplace laws. He faces a maximum potential penalty of \$6600 per breach.

The Fair Work Ombudsman is also seeking a Court Order for any penalty issued to be paid to the underpaid workers.

Employers or employees seeking assistance should contact the Fair Work Infoline on 13 13 94 or visit www.fairwork.gov.au. An interpreter service is available by calling 13 14 50.

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Fair Work Online: 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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