

Melbourne home insulation company allegedly underpaid five Somali teenagers \$25,000

14 September 2011

The Fair Work Ombudsman has launched a prosecution against the operators of a Melbourne-based home insulation company for allegedly underpaying five teenage employees \$25,000.

Facing court is Melbourne-man Louay Soliman and his private company K & L Insulation Pty Ltd, based at Campbellfield.

The Fair Work Ombudsman alleges Mr Soliman and his company underpaid five employees \$25,013 over a period of several weeks in March-April, 2010.

The workers, all Somali immigrants who were aged 18 and 19 at the time, were employed to install insulation materials into homes in various locations throughout Melbourne.

It is alleged the employees worked up to 10 hours a day, six days a week and some weeks were paid flat rates equating to as little as \$10 an hour.

However, it is alleged that under the Modern Award that applied to their positions, they were entitled to hourly rates of \$15.90 for normal hours worked, up to \$31 for overtime and weekend work and up to \$39 on public holidays.

It is alleged the employees were also underpaid other entitlements, including accrued annual leave and wages in lieu of notice after their employment was terminated without notice.

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

"Workers from foreign backgrounds are often not fully aware of their workplace rights and youth, language and cultural barriers can make it difficult for them to negotiate their employment conditions," Mr Wilson said.

"We are committed to ensuring workers receive their lawful entitlements and we take alleged underpayments of vulnerable workers very seriously."

Mr Soliman and K & L Insulation allegedly committed multiple breaches of workplace laws. Mr Soliman faces maximum penalties of \$6600 per breach and the company faces maximum penalties of \$33,000 per breach.

The Fair Work Ombudsman is also seeking a Court Order for back-payment of the allegedly underpaid employees. A directions hearing is listed for October 21 in the Federal Magistrates Court in Melbourne.

Employers and workers seeking advice or assistance should visit the Fair Work Ombudsman's website at www.fairwork.gov.au or contact the Fair Work Infoline on 13 13 94. An interpreter service is available by calling 13 14 50.

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Contact us

Fair Work Online: www.fairwork.gov.au

Fair Work Infoline: 13 13 94

Need language help?

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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