

Ultra Tune fined over underpayment of Filipino worker in Perth

6 August 2012

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.

A national vehicle servicing company has been fined \$8580 for underpaying a Filipino employee based in Perth following an investigation and prosecution by the Fair Work Ombudsman.

The Federal Magistrates Court in Perth has imposed the penalty against Ultra Tune Australia Pty Ltd, which has a network of franchisees that operate vehicle service centres throughout Australia.

Federal Magistrate Toni Lucev handed down his decision on Friday after Ultra Tune admitted inadvertently underpaying a Filipino national a total of \$9642 between February, 2006 and January, 2008.

"A meaningful measure of general deterrence is appropriate so that employers are not impressed with the idea that they can avoid payment of employee's minimum entitlements, such as occurred in this instance," Federal Magistrate Lucev said.

Ultra Tune recruited the employee, a mechanic in his 40s, from the Philippines and sponsored him on a 457 visa to work at Warwick.

Ultra Tune paid him a flat hourly rate of \$15.35, which resulted in an underpayment of the minimum hourly rate and overtime.

When the Warwick outlet closed and the employee's employment was terminated, Ultra Tune failed to pay the employee wages in lieu of notice and redundancy entitlements.

Fair Work inspectors investigated after the worker lodged a complaint. Ultra Tune subsequently rectified the underpayment.

Acting Fair Work Ombudsman Mark Scully says the Court's decision sends a clear message that underpaying staff is a serious matter.

"Successful prosecutions such as this also benefit employers who are complying with workplace laws because it helps them to compete on a level playing field," Mr Scully said.

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

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Call through the National Relay Service (NRS):

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

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