

## Court imposes \$48,000 penalty over underpayment of Indian student

23 October 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..

The operators of a Victorian labour-hire company have been fined a total of \$48,000 for underpaying an Indian student.

Butler & Blackberry Melbourne Pty Ltd, which was engaged in supplying catering and hospitality workers to clients, has been penalised \$40,000.

And the company's sole director and part-owner Lenny Scalia, of Taylors Hill in Melbourne, has been fined a further \$8000.

The Federal Magistrates Court in Melbourne has imposed the penalties following an investigation and prosecution by the Fair Work Ombudsman.

The male Indian national aged in his late 20s was in Australia on student and bridging visas.

He was underpaid a total of \$8990 for more than 430 hours work as a casual kitchen attendant in 2010.

The underpayment occurred when the company sent the employee to work in the junior mess hall at HMAS Cerberus naval base at Crib Point, south-east of Melbourne.

Butler & Blackberry Melbourne has back-paid the employee \$1000 - but the Court has ordered it rectify the outstanding \$7990.

Federal Magistrate John O'Sullivan said the case was serious, involving "a significant underpayment to a vulnerable employee".

Both Scalia and Butler & Blackberry Melbourne had demonstrated "a general disregard for compliance with Australia's workplace laws."

"There is a need for general deterrence and to ensure employers understand they must take steps to ensure correct employee entitlements are paid," FM O'Sullivan said.

Fair Work Ombudsman Nicholas Wilson says the Court's decision should remind employers of the importance of ensuring vulnerable workers are paid their full entitlements.

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.

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Fair Work Infoline: 13 13 94

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

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