

Adelaide company allegedly paid employee nothing for six months of work

4 December 2013

The Fair Work Ombudsman is taking legal action against an Adelaide-based residential property company for allegedly underpaying two employees, including one who was allegedly not paid anything during six months with the company.

Facing Court is Longridge Group Pty Ltd, which designs, sells and builds new residential homes.

Longridge Group allegedly underpaid two sales consultants it employed on a casual basis in 2011-2012 a total of \$24,956.

It is alleged the employees were paid on a commission-only basis during their employment - but that they should have been paid employee-entitlements including minimum wages and loadings for weekend, public holiday and casual work.

The situation allegedly resulted in one employee receiving no pay for 574 hours of casual work he performed over a six-month period last year, when he was entitled to receive \$11,647.

The other employee allegedly received \$6,704 for 1014 hours of casual work he performed over a 10-month period up to February 2012, when he was entitled to receive \$20,013 - making the total alleged underpayment of the employee \$13,309.

The Fair Work Ombudsman discovered the alleged underpayments when it investigated complaints lodged by the employees.

It is alleged that Longridge Group has since partially back-paid the employees but that more than \$8,000 remains owing.

Fair Work Ombudsman Natalie James said the significant amounts involved and the failure to fully rectify the alleged underpayments were significant factors in the decision to commence legal action.

It is alleged that Longridge Group committed multiple breaches of workplace laws. The company faces penalties of up to \$33,000 per breach.

The Fair Work Ombudsman is also seeking a Court Order for full back-payment of the employees. A directions hearing is listed in the Federal Circuit Court in Adelaide on December 6.

Employers and employees seeking assistance should visit www.fairwork.gov.au or contact the Fair Work Infoline on 13 13 94.

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Fair Work Online: www.fairwork.gov.au

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