

## Court action over alleged failure to back-pay hairdresser more than \$4000

6 August 2014

The operator of a hair and beauty salon in western Sydney breached workplace laws by failing to back-pay an underpaid employee more than \$4600, the Fair Work Ombudsman alleges.

Facing Court is Hair Industrie Mt Druitt Pty Ltd, which operates at the Westfield Mt Druitt complex.

A hairdresser at the business was allegedly underpaid a total of \$4668 - including minimum wages, penalty rates and leave entitlements - between July, 2012 and February, 2013.

Fair Work inspectors discovered the alleged underpayment when they investigated a request for assistance from the employee, aged in her 50s.

In April this year, the Fair Work Ombudsman issued a Compliance Notice that required the underpayment to be rectified within 21 days.

It is alleged that the company did not respond to either the Notice or a follow-up letter from the Fair Work Ombudsman.

Under the Fair Work Act, companies must comply with Compliance Notices issued by Fair Work inspectors or make a court application for a review if they are seeking to challenge a Notice.

"Our inspectors made extensive efforts to engage with this business to try to resolve the matter by agreement, but were not able to secure sufficient co-operation," Fair Work Ombudsman Natalie James says.

The company faces a maximum penalty of \$25,500 and the Fair Work Ombudsman is also seeking Court Orders for the company to back-pay the employee in full.

Ms James said Fair Work inspectors identify underpayments at thousands of businesses nationally each year and resolve the vast majority by working co-operatively with employers, guiding them through the back-payment process and assisting them to put systems in place to ensure they pay their staff correctly in future.

However, if employers refuse to co-operate, Fair Work inspectors will consider compliance action, including issuing Compliance Notices, which lawfully require employers to take prompt action.

"It is important for employers to understand that when a Compliance Notice is issued, the Fair Work Ombudsman is simply seeking to recover wages that should have been paid in the first instance - we are not seeking to be punitive," Ms James said.

However, the Fair Work Ombudsman is willing to initiate legal proceedings where Compliance Notices are subsequently ignored and the Agency believes it is in the public interest to do so.

"Enforcing Compliance Notices is fundamental for maintaining the integrity of Australia's workplace laws," Ms James said.

"Fair Work inspectors are increasingly issuing Compliance Notices in cases where employers with contravention issues refuse to co-operate and we will not tolerate these Compliance Notices being ignored."

A total of 65 were issued last financial year (2013-14).

Employers and employees seeking assistance can visit [www.fairwork.gov.au](http://www.fairwork.gov.au) or contact the Fair Work Infoline on 13 13 94. A free interpreter service is available by calling 13 14 50.

Helpful online tools include PayCheck Plus and an Award Finder to assist business owners and employees determine the correct award and minimum wages for their industry, templates for pay slips and time-and-wages records and a range of fact sheets on workplace entitlements.

The website provides extra, specialised information for employers and employees in a range of industries, including retail, horticulture, road transport, accommodation and hospitality, cleaning, clerical, vehicle, electrical, fast food, building and construction, hair and beauty, joinery, metal manufacturing, social and community services, plumbing and security.

Dedicated website resources for small businesses include a Fair Work Handbook and tips for new employers about hiring staff.

Follow Fair Work Ombudsman Natalie James on Twitter @NatJamesFWO [↗](http://twitter.com/NatJamesFWO) (http://twitter.com/NatJamesFWO) , the Fair Work Ombudsman @fairwork\_gov\_au [↗](http://twitter.com/fairwork_gov_au) (http://twitter.com/fairwork\_gov\_au) or find us on Facebook [www.facebook.com/fairwork.gov.au](http://www.facebook.com/fairwork.gov.au) [↗](http://www.facebook.com/fairwork.gov.au) (http://www.facebook.com/fairwork.gov.au) .

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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

Speak & Listen: 1300 555 727. Ask for the Fair Work Infoline 13 13 94

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