

Cleaners allegedly had \$130,000 unlawfully deducted from their wages

14 February 2014

A Melbourne recruitment and labour hire company allegedly falsified its employment records and unlawfully deducted tens of thousands of dollars from the wages of dozens of cleaners.

Oz Staff Career Services Pty Ltd faces civil proceedings in the Federal Circuit Court following an investigation by the Fair Work Ombudsman.

Also facing Court is the company's sole director, Travice Blom, of Patterson Lakes, and a third person employed as a manager at the company.

In documents filed in the Court, the Fair Work Ombudsman alleges that Oz Staff Career Services unlawfully deducted a total of \$130,183 from the wages of 102 employees between December, 2011 and May, 2013.

Alleged underpayments of individual employees range from \$5 to \$2246.

Fair Work inspectors selected the 102 employees as a sample group from Oz Staff Career Service's staff and checked their entitlements when they audited the company in 2012.

Oz Staff Career Services allegedly on-hired the employees to a third party to undertake cleaning work at Federation Square and Crown Casino.

Court papers allege that 'administration fees' of around \$25 a week and lesser amounts for 'meal fees' were deducted from employees' wages.

The Fair Work Ombudsman submits that the deductions were unlawful because they were not principally for the benefit of the employees and the employees had not authorised them in accordance with workplace laws.

According to a Statement of Claim, administration-fee deductions continued to be made despite Mr Blom telling Fair Work Inspectors that they would cease.

Oz Staff Career Services allegedly further breached workplace laws when it provided inspectors with false and misleading records that did not contain details of the deductions.

Fair Work Ombudsman Natalie James says the seriousness of the alleged breaches and the involvement of vulnerable workers are significant factors in the Agency's decision to commence legal action.

Oz Staff Career Services faces maximum penalties of between \$33,000 and \$51,000 per breach, while the individuals each face maximum penalties ranging from \$6600 to \$10,200 per breach.

The Fair Work Ombudsman is seeking penalties and a Court Order for Oz Staff Career Services to rectify any underpayments that have not been rectified.

It is also seeking Court Orders requiring the company to:

- Cease making unlawful deductions of administration and meal fees from employees' wages,
- Write to all cleaners it employed between December, 2011 and May, 2013 informing them of the outcome of the Fair Work Ombudsman's legal action,
- Appoint a contact person to handle employee inquiries,
- Commission workplace relations compliance training for Mr Blom and the manager at the company, and
- Provide evidence to the Fair Work Ombudsman that it has complied with the Orders.

A directions hearing for the case is listed in the Federal Circuit Court in Melbourne on March 6.

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

A free interpreter service for those from non-English speaking backgrounds is available by calling 13 1450 and information about

workplace laws is translated into 27 different languages at www.fairwork.gov.au/languages (www.fairwork.gov.au/language-help/default)

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 factsheets on workplace entitlements.

An 'Industries' section on 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.

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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

The Fair Work Ombudsman is committed to providing advice that you can rely on. The information contained on this website is general in nature. If you are unsure about how it applies to your situation you can call our Infoline on 13 13 94 or speak with a union, industry association or workplace relations professional. Visitors are warned that this site may inadvertently contain names or pictures of Aboriginal and Torres Strait Islander people who have recently died.