Fine for underpaying medical centre staff

17 February 2014

The former owner-operator of medical centres in Perth and Sydney has been fined $22,176 over the underpayment of nine employees.

Sydney man Tufiq Shah operated more than a dozen medical centres through his company General Practice Support Services before the company was placed under administration last year.

The penalty, handed down in the Federal Circuit Court in Sydney, is the result of legal action by the Fair Work Ombudsman.

Justice Kenneth Raphael ordered that the penalty be paid to the underpaid employees to partially rectify the underpayments.

Nine employees of Shah's company at two centres in Perth and one in Sydney were underpaid a total of $70,973 in wages, leave and superannuation entitlements.

The majority of the underpayments relate to the Mends Street Medical Centre, in South Perth, where six employees, a practice manager, receptionist, two nurses and two General Practitioners were underpaid $57,983.

A practice manager at the Seville Drive Medical Centre at Armadale was also underpaid $5324.

Two employees, a manager and a manager/receptionist, at the Rosebery Medical & Dental Centre at Alexandria, in Sydney, were underpaid a total of $7666.

The underpayments were primarily the result of Shah's company ceasing payments to employees in the weeks before it stopped operating the centres. It had also failed to pay superannuation entitlements prior to that.

Fair Work inspectors discovered the underpayments when they investigated employee complaints.

Fair Work Ombudsman Natalie James Fair Work said the non-payment of fundamental entitlements was a significant factor in the decision to pursue legal action.

"The Court's decision sends a clear message that underpayment of employee entitlements is a serious matter," she said.

Employers and employees seeking assistance can visit 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.

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Page reference No: 2608

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