

Results of inquiries into horse racing industry

28 January 2014

Horse trainers should double-check the wage rates for their strappers and stable hands, a report released today by the Fair Work Ombudsman suggests.

Many may be inadvertently paying flat rates of pay below the minimum, random audits of employers throughout the eastern states have found.

The Fair Work Ombudsman has expressed particular concern about its findings in Victoria, where only 31 per cent of employers scrutinised were found to be compliant with federal workplace laws.

Compliance rates were significantly higher in NSW (86 per cent) and Queensland (76 per cent).

Fair Work inspectors checked the books of 86 horse trainers in metropolitan and regional NSW, Victoria and Queensland late last year in response to almost 100 complaints from employees about underpayments.

A report on the outcome of the targeted education and compliance campaign reveals that 52 were compliant, while 34 (40 per cent) collectively recorded a total of 50 contraventions.

Fifteen horse trainers were found to have underpaid a total of 61 of their employees almost \$40,000, largely because they paid flat rates of pay below the Award rate or had not paid casual employees the minimum daily engagement of three hours.

Today's report says that while there are issues of concern in some areas of the industry, the Fair Work Ombudsman is encouraged by the positive response from employers.

"Employers were open to our guidance and when our findings were brought to their attention, they voluntarily rectified all contraventions," it says. "We are therefore hopeful that our intervention will result in increased compliance in the future.

"As the program was designed to test allegations received and to gauge compliance rates, we will consider further education and compliance activity in the industry, particularly in Victoria," the report concludes.

The Fair Work Ombudsman commenced investigations into the horse racing industry after analysing its complaint data between 2010-11 and 2011-12. It also received intelligence about potential underpayments.

Key stakeholders, including Racing NSW, Racing Queensland, Racing Victoria, the Australian Trainers' Association and the Australian Workers' Union were consulted and their support enlisted to promote the campaign to their members.

A key objective was to inform employers about their obligations and promote the Fair Work Ombudsman's self-help tools and information and advisory services.

Employers randomly selected for auditing were assessed against the Fair Work Act 2009, the Fair Work Regulations and the Horse and Greyhound Training Award 2010.

State-based results are:

- NSW: Of 29 audits completed, 25 employers (86 per cent) were compliant. Three businesses were found to have underpaid 10 employees a total of \$17,038. The largest recovery was \$15,874 for eight stable hands in Sydney who were underpaid the minimum hourly rate and weekend penalty rates.
- QLD: Of 21 audits completed, 16 employers (76 per cent) were compliant. Two businesses were found to have underpaid four employees a total of \$3050. The recoveries included \$2907 for three stable hands on the Gold Coast who had been underpaid the minimum hourly rate and overtime rates, and \$143 for a Toowoomba stable hand underpaid the minimum hourly rate.
- VIC: Of 36 audits completed, 11 businesses (31 per cent) were compliant. Ten employers were found to have underpaid 47 employees a total of \$19,414. The largest recoveries included \$5304 for 12 stable hands in the Wimmera underpaid the minimum hourly rate and overtime rates, and \$3752 for three workers in Melbourne underpaid the minimum hourly rate.

Throughout the campaign, Fair Work inspectors informed employers about the range of tools and resources available at www.fairwork.gov.au to assist them to understand and comply with workplace laws.

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.

Each year, the Fair Work Ombudsman runs national, state and regional targeted campaigns in specific geographic locations and focussed on targeted industry sectors as part of its pro-active education and compliance program.

The Agency audited 5600 businesses nationally last financial year as part of this program.

Fair Work Ombudsman Natalie James says supporting small business with credible and reliable information and advice on workplace laws is a high priority for the Agency.

Dedicated website resources for small businesses, including a Fair Work Handbook and tips for new employers about hiring staff, are available at www.fairwork.gov.au/smallbusiness (www.fairwork.gov.au/find-help-for/small-business/default)

Employers and employees seeking assistance can also call the Fair Work Infoline on 13 13 94. Small businesses calling the Infoline can opt to be put through to the Small Business Helpline to receive priority service. A free interpreter service is also available on 13 14 50.

Download the report:

- [Horse Racing Industry Final Report - December 2013 \(PDF 735.9KB\) \(www.fairwork.gov.au/ArticleDocuments/714/Horse-Racing-Industry-Final-Report-December-2013.pdf.aspx\)](http://www.fairwork.gov.au/ArticleDocuments/714/Horse-Racing-Industry-Final-Report-December-2013.pdf.aspx)
- [Horse Racing Industry Final Report - December 2013 \(DOCX 6.3MB\) \(www.fairwork.gov.au/ArticleDocuments/714/Horse-Racing-Industry-Final-Report-December-2013.docx.aspx\)](http://www.fairwork.gov.au/ArticleDocuments/714/Horse-Racing-Industry-Final-Report-December-2013.docx.aspx)

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Fair Work Online: www.fairwork.gov.au

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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