

Company, director face court for allegedly underpaying teenage apprentice almost \$6500

10 September 2014

The former operator of a Sydney hair and beauty business breached workplace laws by failing to back-pay a teenage apprentice hairdresser almost \$6500, the Fair Work Ombudsman alleges.

Facing Court is Viper Industries Pty Ltd, which formerly operated the Lattouf Hair and Day Spa Castle Hill as a franchise outlet.

Also facing Court is the company's sole director and owner Jack Younes.

An apprentice hairdresser at Mr Younes' business was allegedly underpaid a total of \$6471 - including minimum wages, penalty rates and leave entitlements - between July, 2012, and October, 2013.

The apprentice was aged 18 and 19 at the time.

Fair Work inspectors discovered the alleged underpayment when they investigated a complaint from the employee.

In April, the Fair Work Ombudsman issued a Compliance Notice to Mr Younes and his company requiring the underpayment to be rectified within 21 days.

They allegedly did not respond to either the Compliance Notice or a follow-up letter in June.

Under the Fair Work Act, business operators 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 operator to try to resolve the matter voluntarily, but were not able to secure sufficient co-operation," Fair Work Ombudsman Natalie James says.

The Fair Work Ombudsman has previously received several complaints from young workers employed by Mr Younes - and had contacted him on at least 35 occasions.

"The number of complaints from workers and the lack of co-operation from Mr Younes is very concerning," Ms James said.

"Young workers can be vulnerable if they are not fully aware of their rights or are reluctant to complain, so we treat cases involving young workers particularly seriously."

Mr Younes faces maximum penalty of \$5100 and Viper Industries faces a maximum penalty of \$25,500.

The Fair Work Ombudsman is also seeking Court Orders for Viper Industries to back-pay the apprentice in full.

A directions hearing is listed for the matter on October 15.

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."

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.

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.

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