

Boss sells truck to re-pay mate after short-changing his wages by \$25,000 over three years

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Did you hear the one about the boss who hired one of his mates as a tradesman, but then underpaid him \$25,000 over the next three years?

The worker was often paid only a fraction of the wages he was entitled to – and sometimes went for weeks without any wages at all.

But he kept working under the presumption he would eventually be paid in full.

He was reluctant to raise the issue with his boss, as he worried it would damage their long-term friendship.

Sometimes, the worker was forced to borrow money from his boss to make ends meet.

He was always required to pay it back, even though his wages remained outstanding.

Eventually, the worker turned to the Fair Work Ombudsman for help.

When approached by Fair Work inspectors, the employer blamed cash-flow problems.

But he wanted to do the right thing, so he sold his truck and used the proceeds to back-pay his “mate” everything he was owed.

The business has since closed.

It is unknown if the two men remain friends.

The above is a true story.

It happened recently at Maffra, in Victoria's Gippsland region.

“It must have been a very awkward situation for the employee, both in terms of loyalty to his mate and his finances,” says Fair Work Ombudsman Natalie James.

“Employees should not be put in a position where they struggle to pay their bills because they haven't been paid the correct wages on time.

“Imagine being underpaid such a large amount of money and feeling uncomfortable to raise it because your boss is also your mate.”

“Some might say this boss deliberately took advantage of his employee because the two were friends.”

Ms James says few people are unlikely to make it through their working lives – whether as an employee or a manager – without the need to have a difficult conversation at work.

“No matter what the issue is, it's important to deal with it straight away, rather than allowing the issue to linger and potentially worsen,” she said.

“Our experience suggests that when workplace issues are left unresolved or handled poorly, they can cause considerable harm to staff morale, workplace culture and productivity – resulting in absenteeism and higher employee turnover.

“However, when difficult conversations are executed quickly and successful outcomes are achieved, it can improve staff engagement and confidence and create a happier, more productive workplace.”

The Fair Work Ombudsman has developed a range of interactive courses for employees and employers, available on its [Online Learning Centre \(www.fairwork.gov.au/learning\)](http://www.fairwork.gov.au/learning) .

The “Having difficult conversations at work” course can be accessed at www.fairwork.gov.au/learning.

It aims to assist employees talk to their manager about things like getting the right pay, taking leave and changing their hours.

Ms James says the Fair Work Ombudsman is always looking for new and innovative ways to help employees and employers understand and comply with their respective rights and obligations.

Small businesses can now access a dedicated Small Business Helpline where they will receive priority service from the Agency's award-winning Fair Work Infoline advisers.

Ms James says the Fair Work Ombudsman provides practical advice that is easy to access, understand and apply in support of encouraging compliant, productive and inclusive Australian workplaces.

Other recent recoveries in the Gippsland area include:

- \$6700 for 12 employees at a Wonthaggi business underpaid their minimum casual engagement periods and hourly rates, and
- \$5500 for 22 workers at a Lakes Entrance hospitality business underpaid the minimum hourly rate and late-night penalty rates.

Ms James says while it was disappointing to identify the underpayments, it was pleasing to see the employers co-operate with Fair Work inspectors and back-pay the employees.

"Our focus is on educating employers about their obligations and assisting them to put processes in place to ensure that any errors we find don't occur again," she said.

Ms James says the overwhelming majority of employers want to do the right thing by their employees and get it right when it comes to workplace laws.

Employers or employees seeking advice can visit the website www.fairwork.gov.au or call the Fair Work Infoline on 13 13 94.

A free interpreter service is available on 13 14 50.

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Contact us

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

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