

## High-wage earning Melbourne business operator fined again over employee underpayments

29 October 2015

A high-wage earning Melbourne business operator has been fined for a second time after again being involved in short-changing employees thousands of dollars.

Claudio Locaso has been fined \$4845 – and his marketing and distribution company, The Syndicate Group Pty Ltd, has been fined a further \$12,750.

The penalties were imposed in the Federal Circuit Court after Locaso and his company admitted breaching workplace laws by failing to back-pay four underpaid employees a total of \$9622 in 2013.

The Court also ordered Locaso's company to back-pay the employees in full.

Two of the underpaid employees, who travelled door-to-door offering free power boards and free installation, were paid nothing for approximately two and three weeks' work, respectively.

One of the employees was aged just 20.

The penalties come three months after Locaso and Jonathan Paul William Stielow were each fined \$11,880 and criticised in Court for paying themselves wages totalling almost \$500,000, while short-changing eight door-to-door sales employees almost \$15,000.

The penalties in both matters are the result of investigations and legal actions by the Fair Work Ombudsman.

Judge Norah Hartnett found that the latest breaches were part of a "broader pattern of conduct by Mr Locaso".

In both matters, Locaso's companies were contracted to install power boards in homes as part of the Victorian Government's Victorian Energy Efficiency Target Scheme.

Fair Work inspectors tried to avoid having to take legal action by issuing Compliance Notices requesting back-payment - but the notices were ignored.

Judge Hartnett said a contact centre manager who had been underpaid \$4000 in the most recent matter had complained that the underpayment had caused him financial stress and that he 'did not have a place to stay from 1 November, 2013'.

Judge Hartnett said the penalty should mark disapproval of Locaso's conduct and serve as a warning to others.

Noting that the Victorian Energy Efficiency Target Scheme is widespread and ongoing, Judge Hartnett said: "The imposition of a penalty in this matter will assist in ensuring other providers operating within that scheme are aware of, and compliant with, their employment obligations".

Fair Work Ombudsman Natalie James says the Court's decision sends a message that employers refusing to back-pay employees they have underpaid will not be tolerated.

"We are increasingly issuing Compliance Notices to try to resolve underpayment matters outside of the Court – but we are prepared to commence legal action against employers who refuse to co-operate," Ms James said.

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 Compliance Notice.

Employers and employees seeking assistance can visit [www.fairwork.gov.au](http://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.

Resources available on the website include templates for time-and-wages records and a Pay and Conditions Tool (PACT) that provides advice about pay, shift, leave and redundancy entitlements.

The My Account tool allows users to save tailored information such as pay rates and conditions of employment specific to their circumstances.

Small businesses calling the Fair Work Infoline can opt to receive priority service through the small business helpline, which has now

assisted more than 250,000 callers since it was established.

Ms James says the Fair Work Ombudsman supports compliant, productive and inclusive Australian workplaces by providing practical advice that is easy to access, understand and apply.

“Equipping people with the information they need encourages and empowers employees and employers to resolve issues in their workplace and build a culture of compliance, ensuring a level playing field for all,” she said.

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Fair Work Infoline: 13 13 94

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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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