

## Security guards underpaid at major music festival

23 August 2016

Ten security guards at last year's Country Music Festival at Tamworth were underpaid almost \$6000, an investigation by the Fair Work Ombudsman has revealed.

Ten casual workers employed by Melnor Security Services Pty Ltd were paid flat rates of \$26 to \$28 an hour over the course of the festival, which was not enough to meet their minimum entitlements under the Security Services Industry Award.

Depending on whether they were Level 1 or Level 2 employees, they should have been paid penalty rates of up to \$43.85 an hour for night, weekend and overtime work they performed.

Minimum engagement period entitlements were also underpaid. The largest individual underpayment was \$1252.

Melnor Security Services was contracted by the Tamworth City Council to provide crowd control security services at the January, 2015 festival. The festival attracts about 50,000 visitors a day, with over 700 artists featured in 2800 scheduled events across 80 venues.

Melnor Security Services provides a range of security-related services to businesses in NSW, including event security, mobile patrols, asset protection, risk management and cash transit.

Fair Work Ombudsman Natalie James says the underpayments were discovered when inspectors audited the security company as part of a Local Government Procurement Inquiry.

"The Agency is working with the Australian Security Industry Association and United Voice to strengthen the procurement practices of local councils, starting with security services," Ms James says.

The Fair Work Ombudsman commenced its Inquiry in June last year to pro-actively identify unlawful practices among those companies providing security services to local councils.

"The Inquiry is testing whether there are any links between poor governance in the supply chain and non-compliance with workplace laws," Ms James said.

Melnor Security Services co-operated with the Fair Work Ombudsman's investigation and promptly reimbursed the security guards all money owed.

The company has entered into an Enforceable Undertaking (EU) with the Fair Work Ombudsman aimed at encouraging behavioural change and future compliance.

Ms James says that under the EU, the company will commission retrospective and future audits of its payment practices and rectify any underpayments identified.

The company has also agreed to apologise to the underpaid workers, commission workplace relations training for managers, register with the Fair Work Ombudsman's My Account portal and develop systems for ensuring compliance with workplace laws.

"Organisations engaging low-cost security contractors need to ask questions to ensure the low costs are the result of efficient business practices and not employee underpayments," Ms James said.

Resources available at [www.fairwork.gov.au](http://www.fairwork.gov.au) (<http://www.fairwork.gov.au/>) include a template questionnaire for security contractors vying for work, sample clauses to include in contracts and tools for determining minimum employees pay rates, including penalties and overtime.

Employers and employees seeking advice and assistance can also call the Fair Work Infoline on 13 13 94. A free interpreter service is available on 13 14 50.

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