

\$21,000 penalty for ignoring back-pay request

5 January 2016

A Court has penalised a western Sydney hair and beauty salon \$21,000 for ignoring a Fair Work Ombudsman request to back-pay an underpaid hairdresser \$4,668.

The Federal Circuit Court has imposed the penalty against Hair Industrie Mt Druitt Pty Ltd, which operates at the Westfield Mt Druitt complex.

In addition, the Court has ordered the company to back-pay the hairdresser in full.

The penalty and back-payment order are the result of legal action by the Fair Work Ombudsman, which investigated after the hairdresser lodged a request for assistance.

Fair Work inspectors discovered the hairdresser, aged in her 50s, was underpaid \$4668 in wages, penalty rates and leave entitlements between July, 2012 and February, 2013.

In April, 2014, the Fair Work Ombudsman issued Hair Industrie Mt Druitt a Compliance Notice that required the underpayment to be rectified within 21 days.

The company did not respond to the Notice or a follow-up letter from the Fair Work Ombudsman.

Under the Fair Work Act, companies must comply with Compliance Notices issued by the Fair Work Ombudsman or make a court application for a review if they are seeking to challenge a Notice.

In his judgment, Judge Nicholas Manousaridis said the Fair Work Ombudsman attempted to contact Hair Industrie Mt Druitt a number of times, but the company made no attempt to respond - which showed a disregard for its lawful obligations.

Judge Manousaridis said the underpayment was significant, having occurred over only seven months, and the failure to adhere to the Compliance Notice was deliberate.

"There is no evidence Hair Industrie has expressed contrition; nor is there any evidence it has taken any corrective action or has attempted to cooperate with the Fair Work Ombudsman," he said.

Fair Work Ombudsman Natalie James says it is not acceptable to underpay employees' basic entitlements and then refuse to rectify the matter.

"We often attempt to resolve matters such as this one outside of the Courts through issuing Compliance Notices – but we are prepared to initiate legal action where Notices are ignored and we believe it is in the public interest to do so," Ms James said.

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.

The Fair Work Ombudsman has a new online [Hairdressing Assist tool \(www.fairwork.gov.au/hairdressingassist\)](http://www.fairwork.gov.au/hairdressingassist) at www.fairwork.gov.au/hairdressingassist.

Follow Fair Work Ombudsman Natalie James on Twitter [@NatJamesFWO](https://twitter.com/NatJamesFWO) (<http://twitter.com/NatJamesFWO>), the Fair Work Ombudsman [@fairwork_gov_au](https://twitter.com/fairwork_gov_au) (http://twitter.com/fairwork_gov_au) or find us on Facebook www.facebook.com/fairwork.gov.au (<http://www.facebook.com/fairwork.gov.au>).

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Fair Work Online: www.fairwork.gov.au

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