

Pilbara mine workers back-paid \$240,600

27 July 2016

A labour-hire company has back-paid 13 workers a total of \$240,600 after they did not receive their termination entitlements at a mine in Western Australia's Pilbara region.

The employees were stood down after less than one year of service because their host employer cancelled its work at the mine.

However, the workers, including labourers, riggers, carpenters, diesel fitters and an electrician, did not receive outstanding wages, redundancy, accrued annual leave, location allowances or project incentive payments in accordance with their enterprise agreement.

The labour-hire company and the host organisation had an agreement to transfer the employees between them when the stand-down occurred, but the host organisation breached the agreement, which initiated a dispute as to who was the legal employer on the date of termination.

After the workers were unsuccessful in determining who was legally responsible for paying their termination entitlements, they approached the Fair Work Ombudsman for assistance.

Fair Work Ombudsman Natalie James says that once the labour-hire company assumed responsibility, it reimbursed all outstanding entitlements.

The largest amount back-paid to an individual worker was \$22,500.

Ms James says while it is pleasing the company corrected the underpayments, she suggested businesses need to ensure they are aware of their lawful workplace obligations.

The labour-hire employer has received a Letter of Caution, placing it on notice that further breaches of workplace laws may result in enforcement action.

Ms James says the case highlights the importance of employers taking the necessary steps to ensure they understand issues surrounding transfer of business and employees.

"It's important that employers who are unsure about their obligations seek professional advice or contact the Fair Work Ombudsman for information," she said.

"Our website can assist employers and workers alike understand and comply with their rights and obligations so there aren't any issues arising around transfer of employees.

"When we find errors, our preference is to educate employers about their obligations and assist them to put processes in place to ensure the mistakes are not repeated."

Ms James encouraged employers who had any uncertainty about whether their workplace practices were appropriate to visit www.fairwork.gov.au or call the Infoline 13 13 94 for advice. 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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