



Media release

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\$450,000 back-pay for security workers

Just 51 per cent of employers pass random audits.

The Fair Work Ombudsman is calling for leadership from the security industry to dramatically improve its compliance with workplace relations laws.

Almost half the security companies scrutinised by inspectors in a national campaign were non-compliant with the Fair Work Act.

About \$453,000 back-pay is also being recovered for 652 workers who were found to have been underpaid.

Fair Work Ombudsman Executive Director Michael Campbell says the results are disturbing, highlighting a need for "ongoing" education within the industry.

However, he says this is not a job for the Agency alone, and is urging employer organisations, unions and large companies to help drive behavioural change.

The Fair Work Ombudsman began investigating security firms because of concerns about the high number of complaints and prosecutions the security industry was generating.

It also received intelligence from a number of federal and state agencies.

Fair Work inspectors have completed 256 audits. Of these, 126 – or 49 per cent – were non-compliant.

Of the 126 with contraventions, 60 had underpaid staff and 66 were found to have record-keeping and pay-slip breaches.

A further 42 companies remain under investigation and legal action is not being ruled out.

"In an industry characterised by long working hours, night shifts, high staff turnover and casual labour, it is disappointing to find just 51 per cent of employers meeting their lawful obligations," Mr Campbell said.

"What we have found is a widespread use of flat rates of pay in the belief that such arrangements would compensate for allowances, shift and weekend penalties, overtime and annual leave loadings.

"Some employers claimed they had verbal agreements with casual employees to work more than eight ordinary hours per shift and with full-time employees to work more than 10 ordinary hours per shift without overtime payments."

Mr Campbell says a handshake agreement to pay workers a flat rate – even if it is above the minimum hourly rate in the Award – does not negate the need to pay workers their full penalty rates for overtime, night and weekend work.

Fair Work inspectors randomly selected security companies for audit last October after first writing to 10,000 employers across Australia to provide information and advice about the Fair Work Act.