

## **Senate Standing Committee on Education and Employment**

### **QUESTIONS ON NOTICE Additional Estimates 2015 - 2016**

**Agency - Fair Work Ombudsman**

**Department of Employment Question No. EMSQ16-000234**

**Senator McKenzie provided in writing.**

#### **Question**

##### **FWO - Cleanevent/Spotless investigations**

1. Can you confirm that the FWO has previously investigated Cleanevent, a cleaning company, for alleged underpayment of cleaners in Victoria?
2. The Final Report of the Trade Union Royal Commission found that that Cleanevent and the AWU entered into an arrangement that resulted in workers being stripped of all penalty rates and the AWU receiving \$25,000 annually from Cleanevent. Is this FWO investigating this matter?
3. What matters were the subject of the FWO's investigation relating to Cleanevent?
4. How many investigations have been conducted by the FWO into Cleanevent, and the company that took it over, Spotless?
5. What was the outcome of those investigations?
6. What was the nature of any underpayments, and do you have a total figure of what has been substantiated?
7. How many employees were found to be underpaid, as determined by the FWO's investigation?
8. Was Cleanevent / Spotless found to have contravened the Fair Work Act in any way? How so?
9. Were any compliance notices issued to Cleanevent or Spotless as a result of the investigation?
10. Were any infringement notices issued to Cleanevent or Spotless as a result of the investigation?

#### **Answer**

1. Yes.
2. No.
3. The subject of the FWO's investigation referred to in Question 1 relates to allegations of underpayment of wages, allowances and public holiday penalties.
4. The FWO has engaged with Spotless for a number of years to address compliance throughout its network. On 23 March 2012, Spotless entered into a Proactive Compliance Deed with the FWO to improve its compliance with Commonwealth workplace laws.

Following the expiry of the deed in 2013, the FWO continued to support Spotless to self-resolve, in the first instance, any concerns raised by employees.

Since June 2015, the FWO has handled all requests for assistance from Spotless employees in accordance with our Compliance and Enforcement Policy.

Please refer to table below for the number of Fair Work Ombudsman matters related to Spotless Group (all entities) and CleanEvent between 1 July 2009 and 30 June 2015.

<b>CleanEvent matters</b>							
	<b>2014-15</b>	<b>2013-14</b>	<b>2012-13</b>	<b>2012-11</b>	<b>2011-10</b>	<b>2009-10</b>	<b>TOTAL</b>
<b>Dispute forms completed</b>	3	2	1	3	1	1	11
<b>Monies recovered</b>	\$565	\$21,537	\$200	\$1,171	\$6,137	\$0	\$29,610
<b>Employees paid</b>	1	2	1	3	1	0	8
<b>Compliance notices issued</b>	0	0	0	0	0	0	0
<b>Infringement notices issued</b>	0	0	0	0	0	0	0
<b>Spotless Group matters (includes CleanEvent from 2010 onwards)</b>							
	<b>2014-15</b>	<b>2013-14</b>	<b>2012-13</b>	<b>2012-11</b>	<b>2011-10</b>	<b>2009-10</b>	<b>TOTAL</b>
<b>Dispute forms completed</b>	63	83	62	75	57	49	389
<b>Monies recovered</b>	\$54,346	\$125,557	\$77,614	\$167,291	\$38,234	\$73,459	\$536,501
<b>Employees paid</b>	11	25	36	1,153	29	27	1,281
<b>Compliance notices issued</b>	0	0	0	1	0	0	1
<b>Infringement notices issued</b>	0	0	0	0	0	0	0

5. The majority of the Spotless matters listed above were resolved voluntarily (39%), were not sustained / no contravention found (21%) or were withdrawn by the complainant (5%).
6. The majority of the CleanEvent matters listed above were resolved voluntarily (63%) or were not sustained (18%).
7. Please refer to table provided in Question 4.
8. Please refer to table provided in Question 4.
9. Please refer to table provided in Question 4.
10. Please refer to table provided in Question 4.