

**Senate Standing Committee on Education Employment and Workplace
Relations**

**QUESTIONS ON NOTICE
Supplementary Budget Estimates 2012-2013**

Agency - Fair Work Ombudsman

DEEWR Question No. EW0613_13

Senator Abetz asked on 17 October 2012, Hansard page 38

Question

FWO - copy of media release regarding settling of matter

Senator ABETZ: Then, when the matter settled, did you issue a media release to say that the matter had been amicably settled between the parties? Mr Wilson: Absolutely. It drew attention to his withdrawing his commentary. It also drew attention to the history of other complaints that were taken into account in— Senator ABETZ: Can you please provide me with a copy of that release? I am more than happy to accept it, because that which I have been provided tells me that to date no press release has been issued by the ombudsman in relation to the settlement of the case against Drummond and Hennesy Lane Hair Design. Mr Wilson: All right.

Answer

The Fair Work Ombudsman has provided the following response

The following media release issued in relation to the settling of the Hennesy Lane Hair Design Pty Ltd and Gas Hair Studio Pty Ltd was published on 15 October 2012. The media release was also tabled before the Committee on 17 October 2012 (please refer to Hansard, page 39).

Media release

Salons sign up to workplace audits and training after underpaying apprentice hairdressers

15 Oct 2012

The operators of Melbourne hairdressing salons who admitted underpaying two female apprentices have promised to comply with workplace laws in future and agreed to their businesses being independently audited for the next two years.

The companies have pledged to ensure their ongoing compliance as an alternative to the Fair Work Ombudsman pursuing legal action against them.

Enforceable Undertakings have been signed by:

- Hennesy Lane Hair Design Pty Ltd, which operates salons at **Rowville** and **Glen Waverley**, and the company's sole director, secretary and shareholder, Craig Francis Lane, of **Camberwell**, and
- Gas Hair Studio Pty Ltd, which now trades as Mariposa Cafe, Hair and Beauty at **Glen Waverley**, and its directors, secretaries and shareholders Anne-Marie Drummond, of **Mount Waverley**, and Craig Francis Lane.

Hennesy Lane has admitted to underpaying two former staff members \$4723.94 and \$4486.96 respectively, while Gas Hair Studio admitted underpaying one of the same employees \$3181.21.

The companies rectified the underpayments in April.

However, the Fair Work Ombudsman initiated legal proceedings against Gas Hair Studio in March and Hennesy Lane in May, taking into account it had received a total of 12 prior complaints against both companies since 1999.

In the latest cases, the two female employees were not paid for additional training attended outside their normal working hours or on their rostered day off and were required to work additional hours without payment to compensate for the time they spent at training during normal rostered hours.

They were also denied entitlements in relation to public holidays falling on their rostered day off, underpaid allowances and denied accrued annual leave entitlements on termination.

The Fair Work Ombudsman decided to discontinue legal proceedings after Gas Hair Studio, Hennesy Lane, Craig Lane and Anne-Marie Drummond admitted contravening workplace laws and agreed to sign Enforceable Undertakings, committing to a number of specific actions.

These include engaging, at their own expense, an accounting professional within the next two months to audit the businesses to ensure their compliance with workplace laws, particularly relating to the pay and conditions of their employees.

The audits must satisfy the Fair Work Ombudsman that employees are:

- Correctly classified
- Paid their correct wage rates and entitlements
- Paid for all hours worked, including any time spent at training following a request or direction by the employer
- Receiving their appropriate allowances, overtime, penalty rates and other entitlements.

The audits are to be repeated for a two-year period.

In addition, Hennesy Lane and Gas Hair Studio must apologise to the staff who were underpaid and place a public notice explaining the contraventions and corrective action both in their salons and in *The Australian* newspaper.

Hennesy Lane and Craig Lane also "unreservedly withdraw any and all statements to the effect that the motives of the Fair Work Ombudsman in commencing civil proceedings against them included, or were, an intention to destroy or harm their business and will refrain from making any further claims to this effect".

Hennesy Lane and Gas Hair Studio have also agreed to ensure workplace relations compliance training for any and all staff who have any managerial, human resource, recruitment or payroll function.

The Enforceable Undertakings take to 32 the number entered into by the Fair Work Ombudsman and can be viewed on the website at www.fairwork.gov.au.

Follow the Fair Work Ombudsman on [Twitter @fairwork_gov_au](#) or find us on [Facebook](#). Employers can also sign up for a regular E-newsletter.

[Hennesy Lane Enforceable Undertaking \(pdf 800KB\)](#) 

[Gas Hair Studio Enforceable Undertaking \(pdf 743KB\)](#) 

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