

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

### **QUESTIONS ON NOTICE Additional Estimates 2014 - 2015**

#### **Outcome 2 - Workplace Relations and Economic Strategy**

**Department of Employment Question No. EMSQ15-000054**

**Senator Sinodinos provided in writing.**

#### **Question**

##### **Fair Entitlements Guarantee claims**

- a) Has the Department received any Fair Entitlement Guarantee claims in relation to any of the companies identified in Chapter 8.5 of the Interim Report of the Royal Commission into Trade Union Governance and Corruption, some of which news reports have identified as possible phoenix companies?
- b) Which company or companies has had claims against it?
- c) Have any of these claims been made by unions? By individual employees?
- d) What was the role of any claimant within their company?
- e) What were the amounts of these claims – both the total and a breakdown of the value of the different entitlements sought to be recovered?
- f) Were these claims granted and, if so, in what amounts?
- g) If the claims were not fully granted, what were the reasons why not?
- h) Has the Department investigated, or is the Department investigating, whether individuals are liable for the entitlements pursued by these claims?
- i) If so, which individuals?

#### **Answer**

- a) Yes – two of the listed entities.
- b) Active Labour Pty Ltd (two claims) and Metropolis Traffic Control Pty Ltd (two claims).
- c) Claims were submitted by individual employees.
- d) In Active Labour Pty Ltd, claimants were in administration and sales management roles. In Metropolis Traffic Control Pty Ltd claimants were in office administration and office management roles.
- e) In Active Labour Pty Ltd, the total claimed amount was \$109,541.14 (comprising unpaid wages, annual leave and payment in lieu of notice).

In Metropolis Traffic Control Pty Ltd, the total claimed amount was \$26,703.74 (comprising annual leave, payment in lieu of notice and redundancy pay).

Given there were only two claimants in each case, a breakdown of claimed amounts by entitlement type has not been provided to ensure privacy in relation to the personal information of the claimants.

- f) The claims for Active Labour Pty Ltd have not been finalised. The claims for Metropolis Traffic Control Pty Ltd were not approved.
- g) The department determined that these employees did not have unpaid entitlements because the entity had been sold to a new operator under terms which provided for accrued employee entitlements liability to transfer to the new operator.
- h) The department refers such issues to the Australian Securities and Investment Commission for possible investigation.