

# **Employsure in court over misleading advertising and unconscionable conduct allegations**

It is also alleged that Employsure represented to consumers that it provided a helpline for free workplace relations advice, when the primary function of that helpline was to secure marketing leads to sell its services.

The ACCC alleges that Employsure engaged in the misleading conduct, in breach of the Australian Consumer Law, through its use of Google Ads campaigns and on its websites between January 2016 and November 2018.

Employsure's Google ads featured headlines such as 'Fair Work Ombudsman Help - Free 24/7 Employer Advice' and 'Fair Work Commission Advice - Free Employer Advice'. The ads were designed to appear in response to search terms such as 'fair work ombudsman' and 'fair work australia helpline' that consumers use when searching online to get employment relations advice from government agencies.

Employsure's websites also prominently advertised call centre phone numbers for a 'Helpline' that provides free advice.

"The ACCC alleges that Employsure targeted small businesses who were seeking the free workplace relations helpline operated by the Government. Its primary objective was to sign these businesses up to long-term contracts with on-going fees," ACCC Commissioner Sarah Court said.

"In some cases, the advice sought by these businesses was available free of charge from the Fair Work Ombudsman."

"Business must not claim they provide free, government affiliated services in order to lure customers into buying their services," Ms Court said.

The ACCC also alleges that Employsure engaged in unconscionable conduct towards four small businesses between August 2015 and June 2018.

These small businesses contacted Employsure's call centre after searching Google for the Fair Work Ombudsman or a related government agency. The individuals believed they were speaking with someone from, or associated with, a government agency and agreed to a meeting with Employsure's staff on this basis.

During these meetings, the ACCC alleges that Employsure's staff emphasised the risks faced by the individuals including the possibility of fines or being sued by employees, in order to convince them that its services were necessary, pressuring the individuals to sign up to long-term contracts for a significant fee.

The ACCC also alleges that during the period November 2016 to at least October 2018, Employsure's contracts contained unfair terms, including terms that made it difficult for small businesses to exit the long term contracts.

The ACCC is seeking declarations, pecuniary penalties, injunctions, consumer redress orders for the four small businesses, corrective publication and compliance orders, and costs.