

Wednesday, 24 September 2025

Uber ordered to pay lost wages in first-ever unfair deactivation case

The ACTU has welcomed a landmark Fair Work Commission ruling ordering Uber to repay lost wages to a driver unfairly deactivated from the platform – a breakthrough for gig workers and union members who fought for these protections under the Albanese Government’s new workplace laws.

Marking the first successful unfair deactivation case to secure compensation, the Fair Work Commission found Uber’s two-month deactivation of Adelaide-based Uber driver Mohammad Shareed Hotak was “plainly unfair.”

The case was brought by the Transport Workers Union (TWU) on behalf of Mohammad following his Uber account’s deactivation after he reported an assault by passengers who falsely accused Mohammad of threatening them. The Commission noted Mohammad’s consistent high performance over four-and-a-half years and the lack of evidence supporting the serious allegations.

The two-month deactivation period caused financial and emotional hardship for Mohammad, who works up to seventy hours a week to support his family.

Uber reactivated Mohammad’s account during proceedings but argued that no remedy was needed. The full bench of the Fair Work Commission rejected the company’s claim, warning that this tactical reinstatement of workers would allow the platforms to avoid accountability.

The Commission’s ruling confirms that gig economy workers now have enforceable rights that hold companies to account, including compensation where unfair deactivation causes lost income and hardship.

Quotes attributable to Uber driver, Mohammad Shareed Hotak:

“To every driver who has been unfairly deactivated or is facing deactivation right now, I want you to know you are not alone.

“I know how stressful and frightening it feels when your income is suddenly cut off. But we have rights! Reach out to your union, speak up, and don’t be afraid to challenge Uber’s unfairness. Together we are stronger, and we can fight and win our dignity back.”

Quotes attributable to ACTU Secretary, Sally McManus:

“Mohammad’s case is a watershed moment for gig economy workers and the union movement in Australia. This victory is only possible because union members campaigned and won world-first gig worker protections under the Albanese Government’s new laws.

“For too long, the livelihoods of workers and their families were devastated by unfair deactivation by powerful multinational companies like Uber. The Fair Work Commission’s ruling makes clear that gig workers now have enforceable rights, and that companies must respect them or be held to account.

“The ACTU congratulates Mohammad and the TWU for this breakthrough for all gig platform workers.”

Quotes attributable to TWU Secretary, Michael Kaine:

“This Fair Work Commission decision is a blow to Uber’s entire business model of deactivating workers with no evidence and no regard for the impact it will have on their lives. Mohammed Hotak’s victory is hope for tens of thousands of gig workers that they can stand up against some of the biggest global tech behemoths and win.

“TWU members fought for these world-first laws against unfair deactivations, and they’re now using them to put fairness and humanity back into the equation.”

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