

Meatball and Wine Bar faces court for allegedly underpaying 26 workers, including visa holders

Note: The Fair Work Ombudsman has discontinued that part of the proceedings relating to the allegations against Mr Matteo Bruno's involvement in The Meatball and Wine Bar Pty Ltd's alleged contraventions of the Fair Work Act 2009. The Fair Work Ombudsman no longer alleges that Mr Bruno was involved in the contraventions of the company within the meaning of section 550 of the Fair Work Act 2009. Underpayments to all workers have been rectified.

Additional note: On 21 August 2018, the Federal Circuit Court made declarations that The Meatball and Wine Bar Pty Ltd committed underpayment and record-keeping contraventions.

Further information at Meatball and Wine Bar penalised for underpayments (<https://www.fairwork.gov.au/about-us/news-and-media-releases/2018-media-releases/august-2018/20180823-meatball-and-wine-bar-penalty>) . The Court found that the contravening conduct was not deliberate.

22 August 2017

A Melbourne restaurateur will face court after his company allegedly underpaid 26 workers including visa holders across three of his restaurants, despite having received professional advice on its wage obligations.

The Fair Work Ombudsman has commenced legal action in the Federal Circuit Court against Melbourne man Matteo Bruno and his company, The Meatball and Wine Bar Pty Ltd.

It is alleged 26 workers at the company's restaurants in the Melbourne CBD, Richmond and Collingwood were underpaid \$14,149 between July and October 2016.

The employees, who worked as wait staff or kitchen hands, were allegedly paid flat rates of between \$17.31 and \$21.69 per hour.

The workers included 10 visa holders on a range of visa types, including student and working holiday visas. All but four of the workers were in their 20s.

The alleged flat rates led to underpayment of various entitlements, including minimum wage rates, overtime rates, casual loadings and penalty rates for weekend and late night work.

The highest alleged individual underpayment during this period was \$1419.16 for a wait staff who was allegedly paid a flat rate of \$17.95 but was entitled to an ordinary hourly rate of \$18.91 and overtime rates of \$28.37 under the Restaurant Industry Award 2010.

Fair Work Inspectors discovered the alleged underpayments after they initially audited the Richmond restaurant as part of a proactive compliance campaign. After discovering alleged underpayments the Fair Work Ombudsman extended its inquiries to the Meatball and Wine Bar's other sites.

It is alleged Mr Bruno, the company's sole director, was aware of the employees' Award entitlements prior to the alleged underpayments, as he and the company had received comprehensive pay and conditions guides from a private employment adviser and also had the assistance of accountants when managing accounts and payroll administration.

The company also allegedly breached its legal obligations to make and keep relevant employee records.

The alleged underpayments have been rectified.

Fair Work Ombudsman Natalie James said key factors in the decision to commence litigation was Mr Bruno's alleged deliberate disregard for workers' entitlements, including those of vulnerable young and migrant workers.

"It is simply unacceptable for an employer to underpay workers after being directly advised on their obligations to meet minimum employee pay rates," Ms James said.

"We know that younger workers and workers from migrant backgrounds can be more vulnerable due to their lack of experience in the workplace. My agency will use all the tools at our disposal to deal with employers who seek to exploit these vulnerabilities.

“It is blatantly unfair to business owners who are doing the right thing when they are forced to operate in a highly competitive marketplace where others are gaining an unfair and unlawful advantage through underpayment of vulnerable employees,” Ms James said.

Mr Bruno faces maximum penalties of up to \$10,800 per contravention and The Meatball and Wine Bar Pty Ltd up to \$54,000 per contravention.

The case is listed for a directions hearing in the Federal Circuit Court in Melbourne on September 19.

In the 2015-16 financial year, 38 of the Fair Work Ombudsman’s 50 litigations (76 per cent) involved a visa holder, and the Fair Work Ombudsman recovered just over \$3 million for all visa-holders.

Employers and employees can seek assistance at www.fairwork.gov.au or contact the Fair Work Infoline on 13 13 94. A free interpreter service is available on 13 14 50 and information on the website is translated into 30 languages.

Follow Fair Work Ombudsman Natalie James on Twitter [@NatJamesFWO](https://twitter.com/NatJamesFWO) (<http://twitter.com/NatJamesFWO>), the Fair Work Ombudsman [@fairwork_gov_au](https://twitter.com/fairwork_gov_au) (http://twitter.com/fairwork_gov_au) or find us on Facebook www.facebook.com/fairwork.gov.au (<http://www.facebook.com/fairwork.gov.au>).

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For TTY: 13 36 77. Ask for the Fair Work Infoline 13 13 94

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