

Sushi operator allegedly exploited young overseas workers

16 February 2017

The Fair Work Ombudsman has commenced legal proceedings against a sushi-outlet operator, alleging he exploited Korean workers and provided false records to the FWO.

Facing the Federal Circuit Court are EJ Group International Pty Ltd, the owner of the Sushi Kuni outlet at Redcliffe in Brisbane and its sole director and shareholder, Dai Il Kang. Mr Kang is also facing Court as part of the proceedings against Ballina One Sushi Pty Ltd (in liquidation), the company which formerly owned the Sushi Kuni outlet at Ballina, in northern NSW.

The Fair Work Ombudsman alleges five employees at the two outlets were underpaid \$28,615. Four of the workers were aged 26 or younger.

Four of the employees were Korean nationals who spoke limited English and were in Australia on student and 417 working holiday visas at the time. The other employee was an Australian citizen.

It is alleged that during a self-initiated audit, Fair Work Ombudsman inspectors discovered that two Korean employees and one Australian employee at the Ballina outlet were allegedly paid flat rates of pay between \$120-\$160 per day and were underpaid a total of \$19,308 between January and August, 2015

After receiving requests for assistance from workers, it is alleged that inspectors also discovered that two Korean employees at the Redcliffe outlet had been paid flat rates and underpaid a total of \$10,312 between December, 2015 and March, 2016.

The employees were allegedly paid flat rates ranging from \$120 to \$160 per day, which resulted in underpayment of the minimum hourly rates, weekend penalty rates, overtime rates and casual loadings they were entitled to under the Restaurant Industry Award.

Some of the employees were allegedly also underpaid annual leave entitlements.

EJ Group International Pty Ltd is alleged to have underpaid the employees even after inspectors informed Mr Kang of his obligations and put him on notice to comply as part of their audit into the company which operated the Ballina outlet.

It is also alleged that during the investigation, Mr Kang and his company knowingly provided inspectors with false time-and-wages records.

Fair Work Ombudsman Natalie James says legal action has been commenced because of the involvement of vulnerable workers and the seriousness of the alleged conduct.

"Employers should be aware that we treat exploitation of overseas workers particularly seriously," Ms James said.

Mr Kang faces maximum penalties of up to \$10,800 per contravention and EJ Group International Pty Ltd faces penalties of up to \$54,000 per contravention for a number of alleged contraventions of the Fair Work Act.

In addition to the penalties, the Fair Work Ombudsman is seeking Court Orders requiring Mr Kang and his company to make back-payments to workers and to register with the Fair Work Ombudsman's My Account portal and complete all education courses for employers.

A directions hearing is listed in the Federal Circuit Court in Brisbane on February 13.

Employers and employees seeking assistance can visit www.fairwork.gov.au or call the Fair Work Infoline on 13 13 94. An interpreter service is available on 13 14 50.

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