

Regional NSW restaurant commits to change after underpaying workers more than \$22,000

16 March 2017

A restaurant in regional NSW has agreed to back-pay more than \$22,000 to 24 workers - including teenagers paid as little as \$7 per hour - following an audit by the Fair Work Ombudsman.

Fair Work Ombudsman inspectors discovered the underpayments at Soul Food, in Narromine, during a proactive auditing campaign in the Mid-Western and Northern regions of NSW last year.

Inspectors found casual staff at the restaurant were paid between \$7 and \$20 an hour on weekdays and between \$7 and \$23 an hour on Saturdays, depending on their ages.

However, under the Restaurant Industry Award 2010 at the time, the workers should have received ordinary hourly rates of between \$11.06 and \$22.76 on weekdays, depending on their ages, and between \$13.76 and \$27.32 on Saturdays.

In total, 24 staff were underpaid \$22,724 between July, 2015 and September, 2016. Four of the workers were aged under 16 and the average age of the workforce was 24.

Restaurant operator Melissa Jane Hamilton and her company, Soul Food Design Depot & Gallery Pty Ltd, cooperated with the audit and have entered into an Enforceable Undertaking (EU) with the Fair Work Ombudsman aimed at achieving behavioural change and future compliance.

As provided for in the EU, the company rectified underpayments to 15 of the employees last month and has agreed to back-pay the other workers by the end of May.

The company will also commission professional audits of pay practices this year and next year, report the results to the Fair Work Ombudsman and rectify any issues discovered.

The company will also display a workplace notice detailing the contraventions, apologise to workers, commission workplace relations law training for managerial staff, register with the Fair Work Ombudsman's My Account service and implement new systems to ensure future compliance.

Fair Work Ombudsman Natalie James says contraventions involving young workers are treated particularly seriously because young workers can be vulnerable if they are not fully aware of their workplace rights or are reluctant to complain.

"We have chosen to enter into an Enforceable Undertaking in this matter because this business has committed to back-paying workers and taking significant steps to fix its non-compliance issues to ensure the young people it employs in future receive their full lawful entitlements," Ms James said.

In the 2015-16 financial year, the Fair Work Ombudsman recovered almost \$4 million for young workers.

Ms James says the Fair Work Ombudsman is also committed to improving compliance in the hospitality industry. The Fair Work Ombudsman's three-year National Hospitality Industry Campaign, finalised last year, resulted in more than \$1.2 million being recovered for underpaid employees at restaurants, cafés and catering companies throughout Australia.

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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Download the [Soul Food Enforceable Undertaking \(DOCX 159.1KB\)](http://www.fairwork.gov.au/ArticleDocuments/971/enforceable-undertaking-soul-food-redacted.docx.aspx) (www.fairwork.gov.au/ArticleDocuments/971/enforceable-undertaking-soul-food-redacted.docx.aspx) ([PDF 594.6KB](http://www.fairwork.gov.au/ArticleDocuments/971/enforceable-undertaking-soul-food-redacted.pdf.aspx)) (www.fairwork.gov.au/ArticleDocuments/971/enforceable-undertaking-soul-food-redacted.pdf.aspx)

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