

FWO's Food Precincts campaign returns \$471,904 in wages owed to hospitality workers

11 July 2018

The Fair Work Ombudsman's audit of three popular food destinations has recovered \$471,904 for 616 workers, after the FWO found that 72 per cent of the 243 businesses audited had breached workplace laws.

Fair Work inspectors visited businesses in Victoria Street in the Melbourne suburb of Richmond; Glebe Point Road in Glebe, Sydney; and Fortitude Valley in Brisbane – interviewing staff and checking businesses' employment records.

The FWO deployed a range of compliance and enforcement tools against more than one hundred non-compliant businesses during the audit campaign, including:

- commencing legal action against the Meatball & Wine Bar Pty Ltd (www.fairwork.gov.au/about-us/news-and-media-releases/2017-media-releases/august-2017/20170822-the-meatball-and-wine-bar-litigation) for allegedly underpaying 26 employees at its Richmond, Melbourne CBD and Collingwood restaurants;
- issuing 71 infringement notices (on-the-spot fines);
- issuing 63 formal cautions; and
- issuing seven compliance notices.

The most common breaches related to underpayment of workers base hourly rates (38%), with inadequate or non-existent employment records and pay slips another common trend (28%). Other common issues included non-provision of meal breaks, incorrectly classified workers and non-payment of overtime.

The FWO commenced the campaign as part of its ongoing program of intelligence-led audits into more well-known, high-risk sectors of the hospitality industry.

Fair Work Ombudsman Natalie James says, "We are pleased the Food Precincts Campaign has resulted in hundreds of thousands of dollars being put back in the pockets of workers, and sent a definitive message to those employers who are doing the wrong thing.

"While disappointed by the high levels of non-compliance uncovered in the sample of businesses audited, we are not surprised. One in ten disputes resolved by the FWO last financial year involved a restaurant, café or takeaway food outlet, and nearly one third of the most serious cases that we take to court involve this sector.

"Our experience is that addressing entrenched, cultural non-compliance requires a combination of regulatory intervention, public awareness and industry leadership. We have demonstrated this in sectors such as trolley collection and cleaning as well as within service networks and supply chains such as 7-Eleven and Baiada Poultry.

"The FWO is engaging with leaders in this sector, asking them to step up and work with us to develop an integrated approach to turning around this sector.

"This is an industry-wide problem and it needs an industry-wide response. There are over 50,000 cafes, restaurants and takeaway outlets in Australia and the FWO cannot fix this one café at a time," Ms James says.

Background

The non-compliance rate was highest at Victoria Street, with breaches identified at 81% (83 of 103) of businesses – compared to 70% (47 of 67) at Glebe Point Road and 60% (44 of 73) at Fortitude Valley.

These higher than usual rates of non-compliance are due to the FWO focusing specifically on problem areas, using a range of intelligence and analysis to support the targeting of businesses with known, or suspected, non-compliant practices across all three locations.

Employers and employees seeking assistance can visit www.fairwork.gov.au or call the Fair Work Infoline on 13 13 94 (small businesses can opt for priority service by following the prompts). An interpreter service is available on 13 14 50.

Information on the FWO website can be translated into 40 languages, complementing the suite of professionally translated

information available at www.fairwork.gov.au/languages (www.fairwork.gov.au/languages) .

Small business owners are encouraged to visit the FWO's [Small Business Showcase \(www.fairwork.gov.au/smallbizshowcase\)](http://www.fairwork.gov.au/smallbizshowcase) , a virtual hub providing a wealth of resources for employers seeking information about their workplace obligations.

Employers and employees can also sign up to remain informed and receive tailored information by registering for a free Fair Work Ombudsman [My Account \(www.fairwork.gov.au/my-account/registerpage.aspx?utm_source=webchat&utm_medium=SB-Myacct-sign-up&utm_campaign=MyaccountLP\)](http://www.fairwork.gov.au/my-account/registerpage.aspx?utm_source=webchat&utm_medium=SB-Myacct-sign-up&utm_campaign=MyaccountLP) .

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Read the (<https://www.fairwork.gov.au/ArticleDocuments/714/fwo-food-precincts-report.pdf.aspx>) Food Precincts Activities Report (www.fairwork.gov.au/reports/food-precincts-activities-report/default) | (PDF 1.2MB) (<https://www.fairwork.gov.au/ArticleDocuments/1386/fwo-food-precincts-report.pdf.aspx>)

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Fair Work Online: www.fairwork.gov.au

Fair Work Infoline: 13 13 94

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Hearing & speech assistance

Call through the National Relay Service (NRS):

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

Speak & Listen: 1300 555 727. Ask for the Fair Work Infoline 13 13 94

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