

## Record penalty against Townsville café operator over failure to pay compensation

16 May 2018

A record penalty has been imposed against the former operator of a café at Townsville in regional Queensland, for ignoring a Fair Work Commission order to compensate an employee who was unfairly dismissed.

Theo Sourlos, who formerly owned and ran the 'Three Beans and a Chef' café, has been penalised \$9000 and his company Port Douglas Investments Pty Ltd has been penalised a further \$45,000, in the Federal Circuit Court.

The total \$54,000 in penalties is a record for a Fair Work Ombudsman legal action against an employer for failing to comply with an order to pay unfair dismissal compensation.

Fair Work Ombudsman Natalie James reiterated her warning that her Agency is prepared to use every tool at its disposal to ensure legal orders are complied with and justice is served.

"People who are the subject of orders by the Fair Work Commission, or a court as result of action taken under workplace laws, must appreciate the seriousness of those orders," Ms James said.

"The integrity of the system demands that action be taken to ensure these orders are complied with, and the Fair Work Ombudsman prioritises this activity.

"Any party thinking they can simply ignore court or tribunal orders made in relation to their workplace obligations should take note: we will use every lever open to us to ensure that those parties comply with the legal orders made against them."

The Fair Work Commission made an order requiring Port Douglas Investments Pty Ltd to pay \$6200 compensation to an employee in 2016.

The Commission found the employee had been unfairly dismissed in 2015 after working at the 'Three Beans and a Chef' café as an assistant and a manager.

The employee contacted the Fair Work Ombudsman seeking assistance after the compensation amount was not paid.

Fair Work Ombudsman Inspectors made several requests for Sourlos and his company to comply with the Commission's order - but Sourlos refused to pay the amount ordered by the Commission, advising an Inspector that the worker would "get nothing out of me".

Sourlos and his company paid the worker the outstanding unfair dismissal compensation owing to her only after the Fair Work Ombudsman commenced legal action.

Ms James says the penalties imposed send a message that serious consequences apply for failing to comply with Fair Work Commission orders.

"Refusing to comply with a Fair Work Commission order to pay unfair dismissal compensation is completely unacceptable," Ms James said.

"Compliance with Fair Work Commission orders is fundamental for the integrity of the workplace relations system, and employers should be aware that we will take action where appropriate."

The Fair Work Ombudsman has commenced legal action against several employers over the past six years for failing to pay unfair dismissal compensation ordered by the Fair Work Commission.

The previous largest penalties of nearly \$50,000 were secured against Melbourne company World Gym Sunshine Pty Ltd (<http://www.fairwork.gov.au/about-us/news-and-media-releases/archived-media-releases/2014-media-releases/september-2014/20140930-world-gym-penalty>) and its director Wayne George Mailing in 2014 for failing to pay \$2200 compensation.

Employers and employees can seek assistance at [www.fairwork.gov.au](http://www.fairwork.gov.au) or contact the Fair Work Infoline on 13 13 94. A free interpreter service is available on 13 14 50.

Information on the website includes the Fair Work Ombudsman's [compliance and enforcement policy](https://www.fairwork.gov.au/about-us/our-vision/compliance-and-enforcement-policy) (<https://www.fairwork.gov.au/about-us/our-vision/compliance-and-enforcement-policy>) .

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## Contact us

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Fair Work Infoline: 13 13 94

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Call through the National Relay Service (NRS):

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

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