

FWO recovers nearly \$800,000 for sushi workers in NSW, QLD and the ACT

9 October 2018

The Fair Work Ombudsman has audited 45 sushi businesses in New South Wales, Queensland and the Australian Capital Territory, finding breaches of workplace laws at 39 businesses.

Inspectors visited 20 sushi businesses in the NSW's Hunter/Central Coast region, 13 in NSW's Coffs Harbour and North Coast region, seven in Canberra and five in South East Qld, finding almost 90 per cent of the businesses non-compliant.

The audits found underpayments across 37 businesses, and 29 businesses had breached record-keeping and pay slip laws. Inspectors recovered \$746,203 for 397 workers related to underpayments mainly of minimum ordinary hourly rates, casual loading, penalty rates and overtime.

Inspectors issued nine infringement notices (total fines of \$17,850), 15 formal cautions and six compliance notices. The Fair Work Ombudsman commenced legal action against six sushi businesses with more serious alleged breaches of workplace laws.

In two of these matters, the Court ordered combined penalties of \$136,250 following the underpayment of young Korean workers and use of false records at outlets in Ballina and Brisbane. These matters involved further recoveries of \$17,635 for five workers. Three matters involving the alleged underpayments of employees, including some young and migrant workers, across sushi businesses in [Newcastle and the NSW Central Coast \(www.fairwork.gov.au/about-us/news-and-media-releases/2017-media-releases/august-2017/20170801-tokyo-sushi-litigations\)](http://www.fairwork.gov.au/about-us/news-and-media-releases/2017-media-releases/august-2017/20170801-tokyo-sushi-litigations) and [Canberra \(www.fairwork.gov.au/about-us/news-and-media-releases/2017-media-releases/december-2017/20171208-sushi-bay-litigation\)](http://www.fairwork.gov.au/about-us/news-and-media-releases/2017-media-releases/december-2017/20171208-sushi-bay-litigation) remain before the court.

Recently, the Federal Circuit Court handed down penalties of \$36,000 against Lydia Chang for her involvement in underpaying four migrant workers \$33,225 in her business Sushi Revolution, in Newcastle.

The Court found Lydia Chang was involved in the underpayment of the workers at Sushi Revolution, including providing false and misleading records to the Fair Work Ombudsman.

The four employees, all Korean nationals in Australia on 417 working holiday visas, were paid a flat rate for performing primarily kitchen and customer service duties. This led to the underpayment of minimum ordinary hourly rates, overtime rates and penalty rates, as well as underpayments of allowances, superannuation and annual leave entitlements.

Each of the four employees required an interpreter to speak with Fair Work Inspectors, and two were aged as young as 20 at the time.

Fair Work Ombudsman Sandra Parker said the compliance activity followed increased requests for assistance from vulnerable workers in sushi outlets.

"Our activity identified that sushi eateries often employ vulnerable workers including young workers, migrant visa holders and those from non-English-speaking backgrounds. The Fair Work Ombudsman has a strong focus on protecting the rights and entitlements of these vulnerable workers as they may not be fully aware of their workplace rights or are reluctant to complain," Ms Parker said.

"While the Fair Work Ombudsman never excuses employers who underpay their workers, we know that labour represents a significant cost in the food industry. Although everybody loves cheap sushi, perhaps we should ask ourselves – is what I'm paying enough to cover workers' minimum wages and entitlements?"

We were particularly disappointed with the high level of record-keeping breaches discovered in the activity and will conduct follow-up checks at non-compliant sushi outlets. New laws mean employers face significantly higher penalties for serious breaches and we have no tolerance for employers that give inspectors false records," Ms Parker said.

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 can be translated into 40 languages.

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Read the [Sushi Compliance Activity Report \(PDF 906.4KB\)](https://www.fairwork.gov.au/ArticleDocuments/1151/sushi-enterprises-compliance-activity-report.pdf.aspx) (<https://www.fairwork.gov.au/ArticleDocuments/1151/sushi-enterprises-compliance-activity-report.pdf.aspx>) ([DOCX 619.3KB](https://www.fairwork.gov.au/ArticleDocuments/1151/sushi-enterprises-compliance-activity-report.docx.aspx)) (<https://www.fairwork.gov.au/ArticleDocuments/1151/sushi-enterprises-compliance-activity-report.docx.aspx>) .

Media inquiries:

Matthew Raggatt, Senior Media Adviser

Mobile: 0466 470 507

matthew.raggatt@fwo.gov.au (<mailto:matthew.raggatt@fwo.gov.au>)

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Contact us

Fair Work Online: www.fairwork.gov.au

Fair Work Infoline: 13 13 94

Need language help?

Contact the Translating and Interpreting Service (TIS) on 13 14 50

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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