

## Sydney PappaRich franchise operator faces Court

22 March 2019

The Fair Work Ombudsman has commenced legal action against a PappaRich restaurant operator, alleging he was involved in underpaying 154 workers \$74,000 across three PappaRich outlets in Sydney.

Facing the Federal Circuit Court is Loke Cheng Wong, manager-operator of the PappaRich franchise outlet at Macquarie Park, and former manager-operator of PappaRich franchise outlets in Chatswood and on Liverpool Street in the Sydney CBD.

The FWO is also taking action against two companies Mr Wong is a director and part-owner of, PPR Ryde (NSW) Pty Ltd and Gateharvest Pty Ltd, for alleged involvement in some of the underpayments.

Fair Work Ombudsman Sandra Parker said that inspectors discovered the underpayments when they scrutinised the businesses during proactive audits.

“Enforcing compliance with workplace laws in the fast food, restaurant and catering sector continues to be a priority for the Fair Work Ombudsman. Franchise outlets are on notice that they must pay all employees according to Australia’s lawful minimum pay rates,” Ms Parker said.

Between 29 May and 2 July 2017, PappaRich employees were allegedly paid flat rates as low as \$13 to \$14.50 per hour, which resulted in underpayment of the ordinary hourly rates, penalty rates, overtime rates and casual loadings under the Restaurant Industry Award 2010.

In total, it is alleged that 73 employees who primarily worked at PappaRich Macquarie Park were underpaid \$34,834, a further 42 employees at PappaRich Chatswood were underpaid \$22,533, and 39 employees at the PappaRich Sydney CBD outlet were underpaid \$16,633. Some of the employees worked at more than one of the three stores.

Ms Parker highlighted that a number of the affected PappaRich employees were migrant workers on student and working holiday visas.

“All workers in Australia have the same rights, regardless of citizenship or visa status, and we encourage anyone with concerns about their pay to contact the Fair Work Ombudsman. We have an agreement with the Department of Home Affairs where visa holders can seek our help without fear of their visa being cancelled,” Ms Parker said.

The FWO further alleges that across the three stores, laws relating to annual and personal leave entitlements, entering into written agreements with part-time employees, minimum engagement pay, a split shift allowance, record-keeping and pay slips were breached by Mr Wong and his companies.

Mr Wong faces penalties of up to \$12,600 per contravention and the maximum penalty for PPR Ryde (NSW) Pty Ltd and Gateharvest Pty Ltd is up to \$63,000 per contravention.

The FWO is also seeking Court orders requiring Mr Wong, PPR Ryde (NSW) Pty Ltd and Gateharvest Pty Ltd to register with the My account portal at [www.fairwork.gov.au](http://www.fairwork.gov.au) and complete workplace relations training.

A directions hearing is listed in the Federal Circuit Court in Sydney on 3 May.

All employees have been back-paid in full, except for two who have not yet been located.

Employers and employees can visit [www.fairwork.gov.au](http://www.fairwork.gov.au) or call the Fair Work Infoline on 13 13 94 for free advice and assistance about their rights and obligations in the workplace. A free interpreter service is available on 13 14 50.

Information for franchises in Australia, including free advice and resources, is available at [www.fairwork.gov.au/franchises](http://www.fairwork.gov.au/franchises) (<http://www.fairwork.gov.au/franchises>).

Information for the fast food, restaurant and café sector is available at [www.fairwork.gov.au/frac](http://www.fairwork.gov.au/frac) (<http://www.fairwork.gov.au/frac>).

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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

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

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