

Former Melbourne clothing retailer penalised

28 October 2020

The Fair Work Ombudsman has secured \$43,375 in penalties in Court against the former operator of a clothing retail store in the Melbourne CBD.

The Federal Circuit Court has imposed a \$36,146 penalty against Zurel Pty Ltd, the former operator of a clothing store trading as '316 Melbourne' at the Melbourne Central shopping complex, and a \$7,229 penalty against the company's director, Mr Ban Teik Chee.

Zurel and Mr Chee admitted breaching the Fair Work Act by failing to comply with a Compliance Notice requiring the company to calculate and back-pay any outstanding amounts owing to a casual retail employee, a visa-holder aged in her early 20s.

The company also breached record-keeping and pay slip laws and Mr Chee was involved in the breaches.

The Court also ordered Zurel to comply with the Compliance Notice, which includes rectifying the underpayments in full, plus superannuation and interest.

Fair Work Ombudsman Sandra Parker said businesses that fail to act on Compliance Notices face court-imposed penalties in addition to having to back-pay any underpaid staff.

"We make every effort to secure voluntary compliance with Compliance Notices but where they are not followed, we are prepared to take legal action to ensure workers receive their lawful entitlements," Ms Parker said.

"Employers need to be aware that taking action to protect the rights of vulnerable workers continues to be a priority for the Fair Work Ombudsman. Any employees with concerns about their pay or entitlements should contact us for free advice and assistance."

Fair Work Inspectors commenced an investigation into Zurel last year, following a request for assistance.

The Compliance Notice was issued after a Fair Work Inspector formed a belief that the employee had been underpaid her minimum hourly wage, casual loading and penalty rates for weekend, public holiday and evening work under the General Retail Industry Award 2010.

Judge John O'Sullivan said the matter involved a failure to heed the warning that there are potentially serious consequences for failing to abide by a Compliance Notice.

"The failure to comply with the Notice properly issued by the applicant in the course of its investigations and the discharge of its statutory functions is serious. Recipients of such notices should be left under no misapprehension about their obligations to comply with those notices," Judge O'Sullivan said.

Employers and employees can visit 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.

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