

Over \$580,000 recovered for Hobart workers

1 April 2021

The Fair Work Ombudsman (FWO) has recovered \$582,450 in wages for 376 underpaid workers after auditing Hobart's 'cheap eats' food precincts.

Fair Work Inspectors targeted 45 businesses at North Hobart, Salamanca/Battery Point and Constitution Dock and found that almost 80 per cent failed to comply with workplace laws.

Of the 35 businesses in breach, 32 had underpaid their workers and 24 had failed to meet pay slip and record-keeping requirements. The most commonly found breaches were failures to pay minimum wages (27 businesses), followed by a failure to pay casual loading (21 businesses).

Businesses back-paid a total of 376 employees, with amounts ranging from \$868 for three workers at a business in the Constitution Dock area to \$150,905 for 55 employees in the North Hobart area.

Fair Work Ombudsman Sandra Parker said the unannounced audits were part of a national program that has also targeted cheap eat precincts in [Melbourne, Brisbane \(www.fairwork.gov.au/about-us/news-and-media-releases/2020-media-releases/september-2020/20200904-food-precincts-melbourne-brisbane-and-food-retail-report-media-release\)](http://www.fairwork.gov.au/about-us/news-and-media-releases/2020-media-releases/september-2020/20200904-food-precincts-melbourne-brisbane-and-food-retail-report-media-release) , [Sydney \(www.fairwork.gov.au/about-us/news-and-media-releases/archived-media-releases/2016-media-releases/november-2016/20161124-glebepointroad-campaign\)](http://www.fairwork.gov.au/about-us/news-and-media-releases/archived-media-releases/2016-media-releases/november-2016/20161124-glebepointroad-campaign) , [Adelaide and Perth \(www.fairwork.gov.au/about-us/news-and-media-releases/2019-media-releases/december-2019/20191206-over-300-000-returned-to-fast-food-restaurant-and-cafe-workers\)](http://www.fairwork.gov.au/about-us/news-and-media-releases/2019-media-releases/december-2019/20191206-over-300-000-returned-to-fast-food-restaurant-and-cafe-workers) .

“Our intelligence-led activities have hit food precincts around the country because they commonly employ a high proportion of young and migrant workers who can be vulnerable to exploitation.”

“Protecting vulnerable workers such as students and visa holders and improving compliance in the fast food, restaurants and cafés sector are ongoing priorities for the Fair Work Ombudsman.”

“The FWO expects all employers to comply with workplace obligations and to use our range of free tools and resources if they need help. Any workers with concerns should contact us,” Ms Parker said.

In response to the breaches, the FWO issued 34 Compliance Notices, recovering \$582,450 for 376 workers. There were also 22 Infringement Notices issued, resulting in \$30,030 in fines paid.

The FWO has commenced legal action against one café employer, [Welvin & Kevin Pty Ltd \(www.fairwork.gov.au/about-us/news-and-media-releases/2021-media-releases/april-2021/210401-welvin-and-kelvin-litigation-media-release\)](http://www.fairwork.gov.au/about-us/news-and-media-releases/2021-media-releases/april-2021/210401-welvin-and-kelvin-litigation-media-release) , company director Mr Zhi Zhi Tan and company majority shareholder and manager Mr Qingxiang (Kevin) Meng for allegedly failing to comply with a Compliance Notice that required it to calculate and back-pay any underpayments. It is also alleged that the company failed to make and keep employee records and that Mr Meng was allegedly involved in that breach. Four of the employees were young workers and one was on a visa.

Litigation is also being considered in relation to another business. All other non-compliant businesses were advised that any future breaches may lead to higher-level enforcement action.

The FWO has targeted [interactive tools \(www.fairwork.gov.au/find-help-for/fast-food-restaurants-cafes\)](http://www.fairwork.gov.au/find-help-for/fast-food-restaurants-cafes) to help employers and employees in the fast food, restaurant and café sector, as well as for any franchisees (www.fairwork.gov.au/find-help-for/franchises) . Employers can also use FWO's [pay calculator \(https://calculate.fairwork.gov.au/findyouraward\)](https://calculate.fairwork.gov.au/findyouraward) and [Small Business Showcase \(www.fairwork.gov.au/small-business-showcase\)](http://www.fairwork.gov.au/small-business-showcase) . The FWO has targeted resources for [visa holder \(www.fairwork.gov.au/find-help-for/visa-holders-migrants\)](http://www.fairwork.gov.au/find-help-for/visa-holders-migrants) workers.

Fast food, restaurants and cafés matters made up 50 per cent of the FWO's new litigations in the 2019-20. Further information on FWO activities is available in the [annual report \(www.fairwork.gov.au/about-us/access-accountability-and-reporting/annual-reports\)](http://www.fairwork.gov.au/about-us/access-accountability-and-reporting/annual-reports) .

Call the Fair Work Infoline on 13 13 94 or a free interpreter service on 13 14 50. Know a workplace not doing the right thing but don't want to get involved? [Report it anonymously \(www.fairwork.gov.au/how-we-will-help/how-we-help-you/anonymous-tipoff\)](http://www.fairwork.gov.au/how-we-will-help/how-we-help-you/anonymous-tipoff) – in your language.

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Download the Hobart Food Precincts Activity Report (DOCX 323.7KB) (www.fairwork.gov.au/ArticleDocuments/1151/hobart-food-precincts-report.docx.aspx) (PDF 1.6MB) (www.fairwork.gov.au/ArticleDocuments/1151/hobart-food-precincts-report.pdf.aspx) .

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Contact us

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