

## **Two 7-Eleven stores allegedly underpaid four workers \$85,000**

20 January 2010

The Fair Work Ombudsman has launched a prosecution against the former operators of two 7-Eleven stores in Victoria, alleging they underpaid four employees more than \$85,000.

The Agency is taking legal action against Bosen Pty Ltd, which previously owned 7-Eleven stores in Moorabool St, Geelong and Park St, South Yarra.

Also facing court are joint owners of Bosen and the former operators of both stores, Hao Chen and Xue Jing, of Toorak.

Documents lodged in the Melbourne Magistrate's Court allege Bosen underpaid the four workers a total of \$85,408 between 2005 and 2009.

Fair Work inspectors discovered the alleged underpayments when they investigated complaints from the employees.

It is claimed the four - aged 18 to 23 - were paid flat rates of between \$9 and \$11.50 per hour.

The Fair Work Ombudsman claims Bosen entered false information into the 7-Eleven payroll system.

It alleges the company listed the workers' pay rates at double what they were actually paid - and recorded half the number of hours they actually worked - to make it appear the employees were being paid correctly.

The conduct allegedly resulted in underpayment of the workers' minimum hourly rates and penalty rates for weekend, night and public holiday work.

It is also alleged that the workers were not paid annual leave entitlements and that two of them were required to do unpaid 'training' of up to 24 hours before starting paid employment.

It is alleged the four employees were underpaid amounts of \$40,583, \$25,341, \$15,845 and \$3639 respectively.

Bosen allegedly also failed to keep proper employment records and made false entries in payslips.

Fair Work Ombudsman Executive Director Michael Campbell says it will be alleged that the underpayments were deliberate and that repeated demands for back-payment of the workers have been ignored.

"We will be alleging that this is a case of serious exploitation," he said.

The Fair Work Ombudsman alleges Bosen, Mr Chen and Ms Jing committed several breaches of workplace relations laws and is seeking penalties and a Court Order for back-payment of the money allegedly owed.

The maximum potential penalty per breach is \$33,000 for Bosen and \$6600 for Mr Chen and Ms Jing for the alleged underpayment issues and \$5500 for Bosen for alleged employment record and payslip contraventions.

The Fair Work Ombudsman is currently auditing more than 60 of Victoria's 7-Eleven stores in a joint campaign with the franchisor (see: <http://www.fwo.gov.au/Media-centre/2009/pages/20091001-seven-eleven.aspx>).

The Fair Work Ombudsman promotes harmonious, productive and co-operative workplaces. It also monitors compliance and investigates breaches of national workplace laws.

Employers or employees seeking assistance should contact the Fair Work Infoline on 13 13 94. For translations call 13 14 50.

Information is also available at [www.fwo.gov.au](http://www.fwo.gov.au)

Media inquiries:

Craig Bildstien, Director Media & Stakeholder Relations,  
0419 818 484  
[craig.bildstien@fwo.gov.au](mailto:craig.bildstien@fwo.gov.au)

Ryan Pedler, Media & Stakeholder Relations Senior Adviser

(03) 9954 2561, 0434 365 924  
ryan.pedler@fwo.gov.au

Page reference No: 3947

## Contact us

Fair Work Online: [www.fairwork.gov.au](http://www.fairwork.gov.au)

Fair Work Infoline: 13 13 94

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