

## Lismore café signs up to training and reporting plan after underpaying staff \$138,000

10 February 2011

The operator of a cafe at Lismore in NSW has promised to report its wage rates to the Fair Work Ombudsman for the next three years after the workplace regulator found the company was underpaying its staff.

EJack Pty Ltd, which underpaid more than 70 casual waiting staff and short-order cooks almost \$138,000 over more than two years, has also pledged to repay all outstanding wages.

The company's sole director, John Kenny, has already back-paid \$45,000 and agreed to ensure the \$93,000 balance is repaid in regular instalments.

Fair Work Ombudsman Executive Director Michael Campbell says the underpayments, which occurred between March 2006 and October 2008, came to light after the agency investigated a complaint from a former employee.

Ejack was failing to pay casual staff their required minimum rate of pay and penalty rates for weekends and public holidays.

Mr Kenny has entered into an Enforceable Undertaking - a mechanism now being used by the Fair Work Ombudsman as an alternative to litigation - which requires him to:

- Apologise to all current and past employees for the contraventions
- Conduct a paid meeting of current employees who were underpaid to explain the back-payment plan
- Invite a representative of the Fair Work Ombudsman to explain the Enforceable Undertaking to staff
- Undertake an accredited training course by the end of April, 2011 on the rights and responsibilities of employers and employees under the Fair Work Act
- Regularly review rates of pay and employee entitlements
- Contact the Fair Work Ombudsman on a regular basis to ensure staff are being paid correctly
- Allow regular visits to the café from Fair Work inspectors, and
- Report to the Fair Work Ombudsman at the end of each financial year for the next three years on staff numbers, employment status, classifications, age and their respective wage rates and entitlements.

In its letter of apology, Ejack expresses its "sincere regret" for its failure to comply with its lawful obligations, describing the underpayments as an "unfortunate situation".

The Fair Work Ombudsman has a number of tools on its website - [www.fairwork.gov.au](http://www.fairwork.gov.au) - to assist employees and employers to check minimum rates of pay, including PayCheck, PayrollCheck and a Pay Rate Calculator.

Online resources also include payslip and record-keeping templates, a self-audit checklist and fact sheets.

The 'Industries' section on the Fair Work Ombudsman's website provides information specifically tailored for employers and workers in the retail, cleaning, clerical, hair and beauty, security and horticulture industries.

Small to medium-sized businesses without human resources staff can also ensure they are better equipped when hiring, managing and dismissing employees by using free template employment documentation with step-by-step instructions or accessing a series of Best Practice Guides.

Employers or employees seeking assistance or further information can also contact the Fair Work Infoline on 13 13 94 from 8am-6pm weekdays. For translations, call 13 14 50.

[eJack Pty Ltd Undertaking \(PDF 360.5KB\) \(www.fairwork.gov.au/ArticleDocuments/719/eJack-Pty-Ltd-Undertaking.pdf.aspx\)](http://www.fairwork.gov.au/ArticleDocuments/719/eJack-Pty-Ltd-Undertaking.pdf.aspx)

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## Contact us

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

Fair Work Infoline: 13 13 94

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