

\$1.3 million back-pay for almost 900 staff at Super A-Mart retail stores

19 October 2011

Retail giant Super A-Mart will reimburse almost 900 current and former staff more than \$1.3 million after it was discovered the company had been underpaying its workers.

The back-pay - an average of more than \$1500 per employee - follows an investigation by the Fair Work Ombudsman into a complaint from a former staff member.

After voluntarily reimbursing the worker all outstanding entitlements, the Fair Work Ombudsman requested Super A-Mart conduct a self-audit to determine if other employees had also been underpaid.

The company, which operates more than 30 sites in Queensland, NSW, South Australia, Victoria and Western Australia, subsequently calculated it had underpaid 877 employees a total of \$1.376 million between March, 2006 and March, 2010.

The underpayments arose because most Super A-Mart stores required staff to begin work earlier than their rostered shift to prepare for store opening and stay back after their shift had finished - yet failed to pay them for the time worked.

The company also failed to pay workers for attending staff meetings and information sessions outside their rostered shifts, again, which they were not paid for.

Fair Work Ombudsman Nicholas Wilson says employers cannot impose an obligation on staff to attend and commence work prior to the start of their shift without paying them for time worked.

Following Super A-Mart's co-operation and agreement to voluntarily rectify all outstanding entitlements, the Fair Work Ombudsman has entered into an Enforceable Undertaking with the company as an alternative to litigation.

Super A-Mart told the Fair Work Ombudsman the contraventions occurred because of a "breakdown in management communication".

As part of its Enforceable Undertaking with the Fair Work Ombudsman, Super A-Mart has undertaken to donate \$120,000 to the Working Women's Centre in Queensland to assist the Centre promote workplace relations compliance.

Also under the agreement, Super A-Mart must:

- Reimburse all underpaid staff in full within two months,
- Write a letter of apology to all affected employees,
- Conduct a paid meeting of all existing employees affected by the breach to explain the contravention,
- Issue a memo to all employees, to be displayed in all stores and posted on the company's website for 30 days,
- Place an advertisement in the nationally circulating newspaper, The Australian, apologising for the breach and advising the public it has taken corrective action,
- Ensure all store managers attend workplace relations training courses,
- Commission the preparation of a workplace relations compliance manual for distribution to all staff,
- Report to the Fair Work Ombudsman at the end of the financial year for the next three years on the pay and conditions of its employees, and
- Report within 28 days details of the implementation of systems and processes designed to ensure ongoing compliance with workplace laws.

Mr Wilson says the case highlights that a small mistake affecting a large workforce over an extended period of time can result in a hefty bill for back-payment of wages and that it is not just small businesses without human resources or industrial relations experience that can run into trouble.

He says the contravention points to the need for all employers, large and small, to constantly check they are meeting their obligations to their staff and the Fair Work Ombudsman is a good place to start.

In July last year, the Fair Work Ombudsman entered into an Enforceable Undertaking with retail giant Cotton On after it was discovered that company had similarly failed to pay its staff for attending training sessions outside normal working hours.

Cotton On back-paid 3289 of its employees a total of \$278,000, an average of about \$84 for each staff member.

The Fair Work Ombudsman has a large range of tools and resources on its website at www.fairwork.gov.au to assist employees and employers alike to understand their respective workplace rights and responsibilities.

PayCheck Plus calculates minimum rates of pay per hour, per shift or per week and takes into account payments for overtime, penalty rates and allowances.

A Fair Work Infoline operates nationally from 8am-6pm weekdays on 13 13 94.

A free interpreter service is also available by calling 13 14 50, and information on the website is translated into 28 different languages.

The Fair Work Ombudsman also has a National Employer Program specifically designed to assist large national enterprises become fairer workplaces by meeting their workplace relations responsibilities and achieving better workplace policies and practices.

The National Employer Program is a free, voluntary and pro-active program aimed at those industries and enterprises which can benefit from individual engagement with the Fair Work Ombudsman.

Follow the Fair Work Ombudsman on Twitter [@fairwork_gov_au](https://twitter.com/fairwork_gov_au)  (http://twitter.com/fairwork_gov_au) .

Copy of undertaking: [Enforceable Undertaking Super-A-Mart Pty Ltd \(PDF 5.5MB\)](http://www.fairwork.gov.au/ArticleDocuments/720/Enforceable-Undertaking-Super-A-Mart.pdf.aspx) (www.fairwork.gov.au/ArticleDocuments/720/Enforceable-Undertaking-Super-A-Mart.pdf.aspx)

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Contact the Translating and Interpreting Service (TIS) on 13 14 50

Hearing & speech assistance

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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