

## Carwash company faces court for allegedly underpaying foreign workers

22 November 2012

Note: Reference to prosecution in this media release is a general reference to the FWO commencing proceedings for the imposition of civil penalties and should not be taken to be a reference to criminal proceedings.

The Fair Work Ombudsman is prosecuting the operator of a chain of Sydney carwash outlets, alleging it underpaid hundreds of foreign workers a total of more than \$177,000.

Facing court is Crystal Carwash Cafe Pty Ltd, which operates outlets at several sites throughout Sydney.

Also facing court are company director and part-owner Anthony Sahade and a second person who was allegedly responsible for payroll and administrative functions for Crystal Carwash outlets. The second person cannot yet be named as he is yet to be served with proceedings.

Mr Sahade and the second person were allegedly involved in Crystal Carwash Cafe underpaying 359 carwash workers a total of \$177,077.

They worked at locations including Bondi, Brookvale, Chatswood, Coogee, Gladesville, Merrylands, Mosman, Rose Bay, Rushcutters Bay and Strathfield.

The car washers were mostly young foreign workers from Asia who spoke little English and were in Australia on student and working holiday visas.

They were allegedly underpaid their minimum hourly rates and overtime rates between January and September, 2010. Laws relating to keeping of employment records were allegedly also breached.

A series of different labour-hire companies allegedly purported to employ the workers at the time of the underpayments.

However, the Fair Work Ombudsman alleges the labour-hire companies and the purported arrangements were a "sham" and that Crystal Carwash Cafe was the true employer of the workers and is responsible for underpaying them.

The Fair Work Ombudsman alleges Crystal Carwash Cafe was the employer for a variety of reasons, including that the labour hire companies owned no assets, generated little or no income and did not charge Crystal Carwash Cafe a margin for their services.

Mr Sahade and the second person were allegedly involved in Crystal Carwash Cafe committing several breaches of workplace laws.

The company faces fines of up to \$33,000 per breach and Mr Sahade and the second person face penalties of up to \$6600 per breach.

The Fair Work Ombudsman is also seeking a Court Order for the company to back-pay the workers.

The Fair Work Ombudsman has also named 10 labour-hire companies that purported to employ the workers as respondents to its prosecution.

Back-payment Orders will be sought against some of the companies in the event that the Federal Court finds that they were in fact the true employers of the workers.

The labour hire companies are: Baddington Pty Ltd, Schatry Pty Ltd, Seekton Pty Ltd, Ozrest Pty Ltd, Ozrun Pty Ltd, Lucky Horizons Pty Ltd, Pepper Stone Pty Ltd, Tushar Investments Pty Ltd and Cooljam Pty Ltd.

The Fair Work Ombudsman last year commenced a prosecution against Kingsford Carwash Pty Ltd ([www.fairwork.gov.au/about-us/news-and-media-releases/archived-media-releases/2011-media-releases/august-2011/20110830-kingsford-prosecution](http://www.fairwork.gov.au/about-us/news-and-media-releases/archived-media-releases/2011-media-releases/august-2011/20110830-kingsford-prosecution)) - which operates the Crystal Car Wash and Cafe at Kingsford, in Sydney - alleging dozens of foreign workers were underpaid.

Employers or employees seeking assistance should contact the Fair Work Infoline on 13 13 94 or visit [www.fairwork.gov.au](http://www.fairwork.gov.au).

A free interpreter service is available on 13 14 50 and information on the website is translated into 27 languages.

The Fair Work Ombudsman has also launched 14 Online videos to assist foreign workers understand their workplace rights and entitlements.

Follow the Fair Work Ombudsman on [Twitter @fairwork\\_gov\\_au](https://twitter.com/fairwork_gov_au) (http://twitter.com/fairwork\_gov\_au) or find us on [Facebook](https://www.facebook.com/fairwork.gov.au) (https://www.facebook.com/fairwork.gov.au) .

Media inquiries:

Ryan Pedler, Assistant Director, Media & Stakeholder Relations,  
(03) 9954 2561, 0411 430 902  
ryan.pedler@fwo.gov.au

**Page reference No: 3627**

## Contact us

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

Fair Work Infoline: 13 13 94

Need language help?

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

---

The Fair Work Ombudsman is committed to providing advice that you can rely on. The information contained on this website is general in nature. If you are unsure about how it applies to your situation you can call our Infoline on 13 13 94 or speak with a union, industry association or workplace relations professional. Visitors are warned that this site may inadvertently contain names or pictures of Aboriginal and Torres Strait Islander people who have recently died.