

Companies, director fined \$78,600 over repeat underpayment of staff

27 September 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.

Two companies and their director have been fined a total of \$78,600 over the underpayment of two staff at two Melbourne take-away-food outlets.

Turbo Cafe Watergardens Pty Ltd, which operates a Turbo Cafe at the Watergardens shopping centre at Taylors Lakes, has been fined \$26,400.

And Turbo Cafe Point Cook Pty Ltd, which formerly operated a Turbo Cafe at the Point Cook Town Centre shopping complex, has been fined \$39,000.

Further, Essendon North man Domenic Versace, who was the owner-manager of both outlets at the time of the underpayments, has been fined \$13,200.

The penalties, imposed by the Federal Magistrates Court in Melbourne, are the result of an investigation and prosecution by the Fair Work Ombudsman.

Versace admitted being involved in underpaying two Turbo Cafe staff a total of \$10,458 between November, 2008 and August, 2010.

A full time counter-hand at the Point Cook outlet was underpaid \$5682 and a casual waitress at the Taylors Lakes outlet was underpaid \$4776. Both employees were aged in their early 20s at the time of the contraventions.

Federal Magistrate Daniel O'Dwyer noted that companies operated by Versace had previously been the subject of other substantiated underpayment complaints.

"In my view the conduct, in all of the circumstances of this case, amounts to something more than reckless," Federal Magistrate O'Dwyer said.

"General deterrents are important in the present case as it is important to publicly denounce repeated contravening conduct.

"There is a need, in my view, to send a message to the community at large, including small employers, that the correct entitlements of employees must be paid."

Fair Work inspectors discovered the underpayments when they investigated complaints lodged by the employees. The underpayments were rectified only after the Fair Work Ombudsman launched its prosecution.

Fair Work Ombudsman Nicholas Wilson says the Court's decision sends a message to employers that underpayment of staff entitlements is a serious matter.

"Successful prosecutions such as this benefit employers who are complying with workplace laws because it helps them to compete on a level playing field," Mr Wilson said.

Employers or employees seeking assistance should contact the Fair Work Infoline on 13 13 94 or visit www.fairwork.gov.au. A free interpreter service is available on 13 14 50.

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Contact us

Fair Work Online: www.fairwork.gov.au

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