

Retail bakeries urged to check wage rates

7 January 2015

Retail bakeries in Victoria need to pay greater attention to employee pay rates, the Fair Work Ombudsman said today.

Almost half of businesses randomly audited recently were paying incorrect wages and entitlements.

More than 200 employees were found to have been underpaid almost \$150,000.

A quarter of the underpayments were the result of the bakeries underpaying penalty rates and shift loadings.

Other factors included underpayment of the minimum hourly rate and a failure to pay overtime, casual loadings, allowances and public holiday penalty rates.

Fair Work inspectors also identified instances of employers neglecting to pay employees for some time worked and not providing applicable meal breaks.

The Fair Work Ombudsman targeted retail bakeries in response to analysis of its 2012 complaints data.

Of 131 complaints received from workers in the bakery product manufacturing sector, 70 per cent were from employees of retail bakeries – and almost two-thirds of these were found to have been underpaid.

Key stakeholders were consulted on the campaign, including the Baking Industry Association, Shop Distributive and Allied Employees Association and major franchisors Baker's Delight and Brumbies.

Fair Work inspectors audited a total of 81 bakeries across the State.

They found that only 63 per cent (51) were fully compliant with their record-keeping and pay-slip obligations under federal workplace laws and only 53 per cent (43) were paying their employees correctly.

Thirty-three employers were requested to back-pay 211 workers a total of \$146,923.

The range of underpayments varied from as little as \$80 at one business up to \$24,000 at another, with an average underpayment per business of \$3141.

Fair Work Ombudsman Natalie James says the findings highlight that small mistakes, left over time, can result in hefty bills for back-payment of wages that employers had not budgeted for.

Ms James says employers were welcoming and willing to positively engage with inspectors and acted swiftly to rectify their errors and put systems and processes in place to ensure future compliance.

The Fair Work Ombudsman has tools and resources on its website – www.fairwork.gov.au - to assist employers understand and comply with their workplace obligations.

People seeking assistance can also call the Small Business Helpline on 13 13 94 and receive priority assistance

Employers can sign up to a regular E-newsletter with helpful tips and advice on workplace issues.

Download:

- [Victorian Retail Bakeries Campaign Report \(DOCX 6.5MB\) \(www.fairwork.gov.au/ArticleDocuments/714/vic-retail-bakeries-campaign-report.docx.aspx\)](http://www.fairwork.gov.au/ArticleDocuments/714/vic-retail-bakeries-campaign-report.docx.aspx) ([PDF 398.3KB\) \(www.fairwork.gov.au/ArticleDocuments/714/vic-retail-bakeries-campaign-report.pdf.aspx\)](http://www.fairwork.gov.au/ArticleDocuments/714/vic-retail-bakeries-campaign-report.pdf.aspx)

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Media inquiries:

Tom McPherson, Media Adviser

Mobile: 0439 835 855
tom.mcpherson@fwo.gov.au (mailto:tom.mcpherson@fwo.gov.au)

Page reference No: 5149

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