

Restaurant docked wages for cash register shortages, torn cash notes and breakages

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A fast food restaurant in Melbourne's eastern suburbs has been cautioned after it was found to be unlawfully deducting money from employee wages.

The Doncaster business was docking staff wages if the cash register was short, for accepting cash notes that were torn and for breakages.

The unlawful practice was discovered when the business was randomly audited as part of the Fair Work Ombudsman's recent national hospitality campaign.

Employees were also being short-changed their minimum hourly rate and penalty rates and overtime for weekend shifts.

The restaurant has been required to reimburse almost \$9000 to 12 current and former employees for the unlawful deductions and underpayments.

They were being paid a flat hourly rate of \$17, but should have been getting as much as \$25.17 on weekends.

The unlawful deductions and underpayments occurred between February, 2013 and July 2014.

The largest amount owing to an individual was \$1200.

The Doncaster restaurant will be monitored to ensure its future compliance with Commonwealth workplace laws.

Last year, the Fair Work Ombudsman found a café in Perth was unlawfully deducting money from its employee pay packets for things such as:

- \$1200 for in-house cooking demonstrations by the head chef,
- \$100 if the employee was more than five minutes late for work,
- \$30 if tomato was placed in the wrong layer of a club sandwich,
- \$18.90 if a hair was found in a breakfast dish,
- \$12 for overcooking a waffle,
- \$12 for burning an omelette,
- \$12 for serving cold pizza, and
- \$10 for failure to prepare parsley for the following day.

Fair Work Ombudsman Natalie James says the latest matter is a timely reminder to employers of their need to check their workplace practices and fully understand their obligations.

"As a rule of thumb, deductions from wages are generally unlawful if they are not authorised by the employee in accordance with workplace law and are not principally for the benefit of the employees," she said.

"Deducting money from employee wages as a punishment, or as some sort of performance management tool, is completely unlawful.

"And it is clearly not a constructive way of encouraging staff to improve their performance if there are performance issues that need addressing.

"Research shows that employees are most productive and motivated when they are part of a workplace culture in which their contribution is valued and there are strong, positive leaders who encourage them to perform at their best.

"Clearly these deductions only benefited the employer, which is why we have taken this matter seriously and sought a commitment from the business this behaviour will not be repeated."

The Doncaster employees were among about 30 workers in Melbourne's eastern suburbs back-paid over \$76,000 following recent intervention by the Fair Work Ombudsman.

They include:

- \$20,200 for a general manager in an Abbotsford retail furniture business underpaid his annual leave entitlements on termination,

- \$25,100 for a store manager and retail worker in Camberwell underpaid their minimum hourly rates, weekend and public holiday penalty rates,
- \$8100 for 10 pharmacy workers in Bayswater underpaid their minimum hourly rate and weekend penalty rates,
- \$7500 for a liquor store sales assistant in Burwood underpaid his minimum hourly rates, weekend penalty and overtime rates, and
- \$6500 for four staff at a Glen Waverley restaurant underpaid their minimum hourly rates, weekend penalty and overtime rates.

“When we find mistakes our preference is to educate employees about their obligations and assist them to put processes in place to ensure the errors are not repeated,” Ms James said.

She encouraged employers who had any uncertainty about whether their workplace practices were appropriate to visit the Fair Work Ombudsman website at www.fairwork.gov.au.

Among the free resources are a series of Best Practice Guides on topics including effective dispute resolution and managing under-performance, which offer extensive advice on dealing with and managing issues at work.

Other tools can assist employers and employees to determine the correct Award and minimum wages for their industry.

An online leave calculator and a hiring guide for small business help to simplify the process of hiring new staff.

Employers and employees seeking information and advice can visit the website or call the Fair Work Infoline on 13 13 94.

Small business employers calling the Fair Work Infoline can opt to be put through to the Small Business Helpline to receive priority service.

A free interpreter service for those from non-English speaking backgrounds is available by calling 13 14 50.

“Equipping people with the information they need encourages and empowers employees and employers to resolve issues in their workplace and build a culture of compliance, ensuring a level playing field for all,” Ms James said.

Follow Fair Work Ombudsman Natalie James on Twitter [@NatJamesFWO](https://twitter.com/NatJamesFWO) (<http://twitter.com/NatJamesFWO>), the Fair Work Ombudsman [@fairwork_gov_au](https://twitter.com/fairwork_gov_au) (http://twitter.com/fairwork_gov_au) or find us on Facebook www.facebook.com/fairwork.gov.au (<http://www.facebook.com/fairwork.gov.au>).

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Fair Work Online: www.fairwork.gov.au

Fair Work Infoline: 13 13 94

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For TTY: 13 36 77. Ask for the Fair Work Infoline 13 13 94

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