

Thredbo restaurant signs workplace pact after second audit finds ongoing wage issues

24 September 2015

A restaurant at Thredbo in the NSW Snowy Mountains has been caught short-changing its staff for the second time in less than a year.

In 2013, the Alfresco Pizzeria was randomly audited by the Fair Work Ombudsman's regional services team as part of pro-active compliance activity to ensure seasonal Snowfields workers were receiving their minimum wages and entitlements.

The restaurant's owner, local businessman Doug Edwards, was required to back-pay almost \$23,000 to 22 employees.

Alfresco Pizzeria received a formal Letter of Caution from the Fair Work Ombudsman, putting the business on notice that future contraventions of federal workplace laws may result in enforcement action.

The restaurant was audited again in August last year to monitor its compliance.

Fair Work inspectors found that 10 employees were being paid flat rates of pay of between \$11 and \$28 an hour for all hours worked.

This was insufficient to cover their applicable penalty rates and casual loadings for evenings, weekends and public holidays.

The workers, as young as 15, 17 and 19, were collectively underpaid more than \$3400 over three months from June 30 to September 30 last year.

Individual underpayments ranged from \$23 to \$674.

Given Alfresco Pizzeria was educated about its workplace obligations in 2013 and cautioned about the need for compliance, the Fair Work Ombudsman has taken a dim view of ongoing contraventions.

Fair Work Ombudsman Natalie James says Mr Edwards has been asked to sign an Enforceable Undertaking (EU) aimed at encouraging behavioural change.

The EU requires Alfresco Pizzeria and Mr Edwards to:

- Reimburse all outstanding entitlements to the underpaid employees,
- Engage an external accounting professional to audit the business' workplace practices for August, 2015 and August 2016,
- Place a workplace notice at the premises outlining the contraventions,
- Send a written apology to the affected workers,
- Register with the Fair Work Ombudsman's online tool My Account and demonstrate the ability to determine employee entitlements using the pay calculator, and
- Implement systems and processes to ensure future compliance with workplace laws.

Enforceable Undertakings were introduced by legislation in 2009 and the Fair Work Ombudsman has been using them to achieve strong outcomes against companies that breach workplace laws without the need for civil court proceedings.

"We use Enforceable Undertakings where we have formed a view that a breach of the law has occurred, but where the employer has acknowledged this and accepted responsibility and agreed to co-operate and fix the problem," Ms James said.

This case is a timely reminder to businesses in the Snowfields region of the need to ensure they take the time to understand and comply with the laws applicable to their workplace.

"We are committed to helping employers understand and comply with workplace laws, but operators need to make an effort to get the basics right in the first place," Ms James said.

"We know workplace laws can be complicated for the uninitiated, and for those who are not industrial experts, but we ask small business to use the tools and resources that we provide for them and not just apply arbitrary rates that seem 'about right'."

Ms James says the Fair Work Ombudsman is making compliance easier for small business by continually building on the information available on its website.

Online tools include pay rate calculators to help employers determine the correct Award and minimum wages for employees and free templates for pay slips and time-and-wage-records.

Ms James encouraged employers who had any uncertainty about whether their workplace practices are appropriate to visit www.fairwork.gov.au or call the Small Business Helpline for advice on 13 13 94.

Overseas employers or employees from non-English speaking backgrounds can call 13 14 50 if they need interpreter services.

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

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Download:

- [Doug Edwards Enforceable Undertaking \(DOCX 96.1KB\)](http://www.fairwork.gov.au/ArticleDocuments/884/enforceable-undertaking-doug-edwards-redacted.docx.aspx) (www.fairwork.gov.au/ArticleDocuments/884/enforceable-undertaking-doug-edwards-redacted.docx.aspx) (PDF 845.4KB) (www.fairwork.gov.au/ArticleDocuments/884/enforceable-undertaking-doug-edwards-redacted.pdf.aspx)

Media inquiries:

Nicci de Ryk, Senior Media Adviser

Mobile: 0466 522 004

nicci.deryk@fwo.gov.au (<mailto:nicci.deryk@fwo.gov.au>)

Page reference No: 5553

Contact us

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