

Statement on 7-Eleven

12 May 2016

The Fair Work Ombudsman notes with concern a decision by convenience store franchisor 7-Eleven to terminate the services of the Fels Wages Panel in recovering the lawful entitlements of workers.

We look forward to hearing the detail of how the critical work of the Fels Panel will be continued under the new arrangements announced by 7-Eleven yesterday.

As an independent, statutory regulator funded by the taxpayer to ensure compliance with Commonwealth workplace laws, the suggestion that we would accept funding from 7-Eleven to oversee its activities in this space is both unacceptable and ludicrous.

In fact, the Fair Work Ombudsman confirms it has active, ongoing investigations into a number of 7-Eleven franchisees.

There is also a real prospect that we will take legal action against more 7-Eleven operators.

Since July, 2009, we have placed eight matters before the Courts involving 7-Eleven franchisees, one of which resulted in a penalty of more than \$214,000: [Record penalties against 7-Eleven operator \(www.fairwork.gov.au/about-us/news-and-media-releases/archived-media-releases/2016-media-releases/may-2016/20160502-amritsaria-penalty\)](http://www.fairwork.gov.au/about-us/news-and-media-releases/archived-media-releases/2016-media-releases/may-2016/20160502-amritsaria-penalty) .

We are yet to be satisfied that 7-Eleven is meeting the expectations we have of it following the public release of our findings on April 9: [Statement on 7-Eleven \(www.fairwork.gov.au/about-us/news-and-media-releases/archived-media-releases/2016-media-releases/april-2016/20160409-7-eleven-presser\)](http://www.fairwork.gov.au/about-us/news-and-media-releases/archived-media-releases/2016-media-releases/april-2016/20160409-7-eleven-presser) .

The Fair Work Ombudsman remains in discussion with 7-Eleven with respect to our recommendations arising from our recent Inquiry into the network.

We acknowledge there may be concerns by some 7-Eleven employees, particularly visa-holders, about coming forward to an internal 7-Eleven process now the Fels Wages Panel has been abolished.

To that end we encourage any visa-holders at 7-Eleven concerned about the impact that a claim of underpayment may have on their visa status to contact us on 13 13 94.

They have our assurance that if they assist us with our inquiries into wage theft we will request that their visa status will not be prejudiced, following agreement we reached with the Department of Immigration and Border Protection.

The Fair Work Ombudsman remains of the view that 7-Eleven must accept it has moral and ethical responsibility for ensuring that all workers across its franchise network are paid their minimum lawful entitlements and take urgent steps to build a culture of compliance with workplace laws within the organisation.

We expect that any arrangement with us would take the form of a robust and transparent compliance partnership which reassures the community and satisfies us that the 7-Eleven network is committing to genuine steps to ensure sustainable compliance with workplace laws.

7-Eleven must root out and deal with systemic non-compliance.

The Fair Work Ombudsman made the following recommendations to 7-Eleven last month:

That 7-Eleven:

- Accept that it has moral and ethical responsibility to ensure its stores meet community and social expectations for equal, safe and fair work opportunities for all employees,
- Implements effective governance arrangements that ensure compliance with all federal workplace laws,
- Review its operating model to ensure regular review of the financial viability and legal exposure of franchise agreements and engage an external, independent party to self-audit its compliance.

A copy of the Report is available at www.fairwork.gov.au/inquiryreport (<http://www.fairwork.gov.au/inquiryreport>) .

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Contact us

Fair Work Online: www.fairwork.gov.au

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Call through the National Relay Service (NRS):

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

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