

La Porchetta Franchising Pty Ltd Compliance Partnership Report

In April 2014, the Fair Work Ombudsman (FWO) entered into a three-year Compliance Partnership with La Porchetta Franchising Pty Ltd (La Porchetta) after identifying workplace compliance issues in some La Porchetta franchise stores.

The outcomes of the initial partnership showed an improvement in workplace compliance across the La Porchetta network, and as such a <u>second Proactive Compliance Deed (PCD)</u> was entered into on 6 July 2018.

Actions & Outcomes

La Porchetta undertook a range of activities aimed at monitoring and regulating their restaurants and those owned by franchisees. This included:

- conducting reviews of systems and processes that led to changes in payslip review measures
- taking steps to standardise and automate leave calculations
- providing annual training to human resources, payroll, managerial and supervisory staff across their network
- undertaking three self-audits and addressing errors identified.

The terms of the PCD included scope for the FWO to refer certain requests for assistance (RFAs) from La Porchetta employees to the company for self-resolution. The FWO referred five RFAs to La Porchetta, these matters included concerns about:

- rates of pay
- employment status
- leave
- termination entitlements.

These matters resulted in a total of \$2,400 being repaid to 8 employees, with individual repayments ranging from \$1.25 to \$1,477. All RFAs referred to La Porchetta have been resolved to FWO's satisfaction.

The FWO also received three RFAs it determined were more appropriate to investigate itself. Of note one investigation led to the issuing of a Compliance Notice to a former franchisee for failure to pay annual leave on termination. The former franchisee failed to comply with the notice and FWO commenced court proceedings that resulted in a \$10,656 penalty being awarded. The other two RFAs were resolved through the issuing of a letter of caution.

The FWO has not entered into a further compliance partnership with La Porchetta following completion of the deed.