



We investigated **31 businesses** in
Launceston in November 2021



77% non-compliant with workplace laws



55% (17) didn't pay staff correctly



3% (1) didn't meet pay slip and record-keeping requirements



19% (6) breached both monetary and non-monetary obligations



\$121,574

recovered for **144**
employees from
21 businesses



2 businesses remain
under investigation

Fair Work Inspectors issued:



22

Compliance
notices

\$117,199 recovered
for **142** employees



7

Infringement
notices

\$9,988 paid in fines

Launceston food precinct investigation

What we did and why

In November 2021, the Fair Work Ombudsman (FWO) investigated 31 businesses in Launceston. This proactive investigation was part of a program examining non-compliance in popular ‘cheap eats’ food precincts that commenced in 2016.¹²³⁴⁵

Fast food, Restaurants and Cafés (FRAC) sector businesses within these precincts typically employ a high proportion of young and migrant (temporary visa holder) workers. These workers can be vulnerable to exploitation, due to a lack of awareness or understanding of their entitlements, and an unwillingness to raise concerns with their employer or the FWO.

Launceston has a diverse mix of businesses, employers, and employees. Anonymous tip offs from workers suggested non-compliance in restaurants and fast food outlets in the area.

We targeted businesses deemed to be at risk of non-compliance, based on one or more of the following characteristics:

- a history of non-compliance with the FWO
- anonymous tip offs and/or customer enquiries received about the business
- employing vulnerable migrant workers (confirmed using Home Affairs data).

Fair Work Inspectors conducted unannounced site visits at 31 businesses over 2 days. They:

- requested employment and payroll records
- interviewed employers, managers, and workers
- observed work practices
- noted staff numbers to validate business records.

Pay slips and record-keeping practises were assessed against the requirements of the *Fair Work Act 2009*, the *Fair Work Regulations 2009*, and applicable awards or registered agreements. Most businesses were covered by the *Restaurant Industry Award 2010* or *Fast Food Industry Award 2010*.

¹ [Over 1.2 million recovered for food and retail workers – Media releases – Fair Work Ombudsman](#)

² [Over \\$300 000 returned to fast food, restaurant and café workers – Media releases – Fair Work Ombudsman](#)

³ [Over \\$580,000 recovered for Hobart workers – Fair Work Ombudsman](#)

⁴ [More than \\$200,000 recovered for Gold Coast workers – Fair Work Ombudsman](#)

⁵ [Darwin workers back-paid nearly \\$400,000 – Fair Work Ombudsman](#)

Our findings

24 (77%) of the 31 businesses investigated had breached workplace laws. Of those:

- 17 (55%) were not paying staff correctly.
- 1 (3%) were non-compliant with pay slip and record-keeping requirements.
- 6 (19%) breached both their monetary and non-monetary obligations.

The most common breaches were:

- failure to pay penalty rates – 19 businesses (61%)
- underpayment of the minimum hourly rate – 18 businesses (58%)
- payslips not containing the required information – 4 businesses (13%)
- failure to pay correct leave allowances – 7 businesses (23%)
- failure to pay correct overtime allowances – 4 businesses (13%)

Action taken and next steps

We recovered \$121,574 for 144 employees from 21 businesses⁶. The largest recovery from a single business was \$39,432.

Fair Work Inspectors issued:

- 22 compliance notices (to 22 businesses), recovering \$117,199 for 142 employees
- 7 infringement notices, with \$9,988 paid in fines.

2 businesses are still under investigation for alleged non-compliance with workplace laws.

⁶ One of the businesses rectified underpayments of \$4,375 to 2 employees at the time of our site visits, without Fair Work Inspectors needing to investigate further.