

ENFORCEABLE UNDERTAKING

Between

The Commonwealth of Australia

(as represented by the Office of the Fair Work Ombudsman)

and

Four Seasons Australia Pty Ltd trading as Sushi 1

(ACN: 083 264 699)

Fair Work Act 2009

Section 715 ENFORCEABLE UNDERTAKING

Parties

- This enforceable undertaking (Undertaking) is given to the Fair Work Ombudsman (FWO) by:
 - a) Four Seasons Australia Pty Ltd (Four Seasons Australia): and
 - b) Mr. Young Hun Cha

for the purposes of section 715 of the Fair Work Act 2009 (FW Act).

Commencement of Undertaking

- 2. This Undertaking comes into effect when:
 - I. the Undertaking is executed by Four Seasons Australia and Mr Young Hun Cha; and
 - the FWO accepts the Undertaking so executed.
- Upon the commencement of this Undertaking, Four Seasons Australia and Mr Young Hun Cha undertake to assume the obligations set out below.

Background

- Four Seasons Australia was incorporated on 3 July 1998 and the business is engaged in operating:
 - a Sushi Restaurant trading as Sushi 1 at Buranda Village, Cnr Ipswich Rd and Cornwall St, Buranda QLD 4102 (Buranda Sushi 1);
 - II. two takeaway shops trading as Sushi 1 located at:
 - Harbour Town Shopping Centre Shop B25, 193 Brisbane Road, Biggera Waters QLD 4216;
 - Tweed City Shopping Centre Kiosk 5, Minjungbal Drive Tweed Heads South, NSW 2486; and
 - a factory processing centre and head office located at Unit 3/17-19 Olympic Circuit Southport QLD 4215.
- 5. In November 2015, the FWO commenced an investigation after receiving two requests for assistance (RFAs) regarding allegations of underpayments and non-payment of annual leave by Four Seasons Australia to its employees identified in Attachment A to the Undertaking referred to as Employee A and Employee B. Employees A & B both worked at Buranda Sushi 1.
- In May 2016, the FWO received a further request for assistance regarding an allegation of underpayments and non-payment of annual leave by Four Seasons Australia to an employee identified in Attachment A as Employee C. Employee C worked at the factory processing centre in Southport.
- 7. Employees A and B are Japanese Nationals with permanent residency status in Australia.
- 8. Employee C is a Japanese National who is visiting Australia on a working holiday Visa.
- 9. Employees A and B have limited mastery of the English Language and required interpreter

services.

- Four Seasons Australia employed Employee A from 17 March 2014 until 7 November 2015 inclusive.
- Four Seasons Australia employed Employee B from 17 March 2014 to 24 October 2015 inclusive.
- 12. Four Seasons Australia employed Employee C from 9 November 2015 to 22 April 2016.
- The terms and conditions of Employees A and B employment were governed by the FW Act and the Restaurant Industry Award 2010 (MA000119) (the Restaurant Award).
- The terms and conditions of Employee C's employment were governed by the FW Act and the Food, Beverage and Tobacco Manufacturing Award 2010 (MA000073) (the Food Award).
- 15. Employees A and B prepared and sold Japanese food for consumption on the premises for take-away. The investigation determined that Employees A and B were engaged as Kitchen Attendant Grade 1 on a part-time basis of 33 hours per week over a 6 day work week.
- 16. Employee C prepared food from ingredients and raw materials. The finished sushi produce was packed and sent to off-site outlets for sale. The investigation determined that Employee C was engaged as a classification Level 1 employee and progressed to a Level 2 employee after 3 months. She worked Monday to Friday on a part time basis of 32.5 hours per week.
- 17. From 17 March 2014 until 1 July 2014, Employee A and B's rates of pay were subject to the transitional provisions under schedule A of the Restaurant Award. For the purposes of transitional phasing arrangements, the applicable transitional instrument is the Award Based Transitional Instrument being the Hospitality Industry-Restaurant, Catering and Allied Establishments Award-South Eastern Division 2002 (AN140144) (the Hospitality ABTI).
- At all relevant times, Four Seasons Australia paid Employees A and B a base rate of pay of \$16.37 for all hours worked including weekends, public holidays and overtime.
- 19. Employees A and B were entitled to the following rates of pay:

Classification level 1	From March	From 1 July	From 1 July	
Rates of pay	2014	2014	2015	
Rates of Pay for Ordinal	y hours			
Ordinary hours	\$16.80	\$17.35	\$17.79	
Saturday	\$21.84	\$21.69	\$22.24	
Sunday	\$25.20	\$26.03	\$26.69	
Public Holiday	\$42.00	\$43.38	\$44.48	
Rates of Pay for Overtin	ne hours			
Mon-Fri: First 2 hours	\$25.20	\$26.03	\$26.69	
Mon-Fri: After 2 hours	\$33.60	\$34.70	\$35.58	
Saturday: First 2 hours	\$29.40	\$30.36	\$31.13	
Sunday: After 2 hours	\$33.60	\$34.70	\$35.58	

- At all relevant times, Four Seasons Australia paid Employee C a base rate of pay of \$13.50 for all hours worked including overtime and public holidays.
- Employee C was entitled to the following rates of pay under the Food Award:

From 1 July 2015	Ordinary rate of pay	Overtime First 3 hours	Public Holiday	
Level 1 Employee	\$17.29	\$25.94	\$43.23	
Level 2 Employee	\$17.79	\$26.69	\$44.48	

22. Employees A and B had accrued annual leave entitlements of 217.65 hours and 212.5 hours

- respectively and were not paid the annual leave and leave loading entitlements upon termination of their employment.
- 23. Employee C had accrued entitlements of 55.42 hours of annual leave and was not paid annual leave and annual leave loading entitlements upon termination of her employment.

Contraventions

- 24. The FWO has determined, and Four Seasons Australia admits, that on the basis of the factual matters outline above, Four Seasons Australia contravened:
 - Section 45 of the FW Act, which provides a person must not contravene a term of a modern award. Contraventions of the Restaurant Award are as follows:
 - Failing to have a written part-time agreement (cl. 12.3);
 - ii. Underpayment of base hourly rate (cl. 20 and Schedule A.2);
 - Underpayment of Saturday, Sunday and Public Holiday penalty rates (cl. 34.1 and Schedule A.5);
 - iv. Underpayment of overtime rates (cl. 12.7 and 33.2);
 - v. Failing to provide eight days off work in a four week period (cl. 31(e)); and
 - vi. Underpayment of annual leave loading (cl. 35.2(b)).
 - II. Section 45 of the FW Act, which provides a person must not contravene a term of a modern award. Contraventions of the Food Award are as follows:
 - Failing to have a written part-time agreement (cl. 12.3);
 - ii. Underpayment of base hourly rate (cl. 20.1);
 - Underpayment of the overtime rates of pay (cl. 33.1);
 - iv. Underpayment of the Public Holiday penalty rates (cl. 33.8): and
 - v. Underpayment of the annual leave loading (cl. 34.5(a))
 - III. Section 44 of the FW Act, which provides a person must not contravene a provision of the National Employment Standards (NES). Those contraventions were as follows:
 - i. Underpayment of annual leave on termination (s. 90(2)).
- 25. As a result of contravening sections 44 and 45 of the FW Act, a total underpayment of \$26,226.22 (gross) was determined to be owing to Employee A, \$18,460.23 (gross) to Employee B and \$6,551.45 (gross) to Employee C. Part payment has been made to Employees A and B as outlined in Attachment B.

Undertakings

26. For the purposes of section 715 of the FW Act, Four Seasons Australia undertakes to:

Rectify Underpayments

- a) Pay to the Employees the total amounts arising from the Contraventions as stipulated in Attachment B of this Undertaking less taxation within 21 days of the execution of this Undertaking.
 - provide proof of such payment to the FWO on the day the payments are made.

FWO My Account Registration

- Register with the FWO 'My Account' portal at <u>www.fairwork.gov.au</u> and complete the profile, minimum pay rates and award options;
 - Within 14 days of the execution of this undertaking, provide to the FWO the 'My Account' registration number.

Future Workplace Relations Compliance

- c) Ensure compliance at all times and in all respects with applicable Commonwealth of Australia workplace laws and instruments, including but not limited to the FW Act, the Food Award and the Restaurant Award, by developing systems and processes to ensure ongoing compliance with those requirements. Without limitation, such systems and processes relating to:
 - Ensuring employees receive the correct minimum rates of pay and entitlements, such as penalty rates and overtime rates;
 - II. Issuing payslips to employees within 1 working day of payment; and
 - Keeping accurate and complete records to ensure employees receive their correct wages and entitlements.
- d) Where contacted by current or former employees not covered by this Undertaking alleging that their lawful entitlements have not been met, Four Seasons Australia agrees to:
 - notify the FWO within 7 days of receiving the allegation;
 - II. take all reasonable steps to ascertain whether a contravention or contraventions of the FW Act has occurred, and where such contraventions are found, take immediate steps to rectify those contraventions;
 - III. within 7 days of resolving the allegation, provide the FWO with evidence that any identified underpayments have been paid and evidence that other issues identified have been resolved; and
 - IV. should a decision be made not to rectify an allegation raised, notify the FWO within 7 days of this decision and the reasons for not rectifying.

Notices

Workplace Notice

- e) Place a notice within all workplaces referred to in paragraph 4 of this Undertaking which is accessible to all employees (Workplace Notice) within 28 days of the execution of this Undertaking in the terms set out in Attachment C;
- f) Provide a copy of the Workplace Notice and written details of how the Workplace Notice has been displayed at all workplaces referred to in paragraph 4 of this Undertaking to the FWO within seven (7) days of publication/display of the notice;
- g) Display the Workplace Notice at all workplaces referred to in paragraph 4 of this Undertaking for a continuous period of at least 28 days.

Public Notice

- h) Place a public notice in the Saturday edition of The Courier Mail Newspaper (Public Notice) within 28 days of, but not prior to, the FWO publishing a Media Release on its website in respect of this Undertaking in the terms set out in Attachment C;
- i) Provide a copy of the Public Notice to the FWO within seven (7) days of publication;

Apology

- j) Within 14 days of the execution of this Undertaking send an apology (Apology Letter) to the Employees A, B and C. Specifically, an Apology Letter to Employees A & B in the terms set out in Attachment D and Employee C in the terms set out in Attachment E.
- k) Within seven (7) days of the Apology Letter being sent, provide to the FWO a copy of the Apology Letter.

Broader Community workplace relations education

Make a donation of two thousand dollars (\$2,000.00) to the Working Women QLD (ABN 32 927 953 573) and provide proof of the payment to the FWO within 21 days of the execution of the Undertaking.

Self-audits and Reporting

- m) Cause to have performed by an accounting professional (e.g. Certified Practicing Accountant), audit specialist or employment law specialist (at the expense of Four Seasons Australia), audits of Four Seasons Australia's compliance with all Commonwealth workplace laws and instruments, including the Food Award and the Restaurant Award (Audits), relating to the pay and conditions of employment for a sample of 25% full time, part time and casual employees for a range of classifications for each years as follows:
 - The Audit for the months of October and November 2016 to be finalised by 3 February 2017; and
 - The Audit for the months of August, September and October 2017 to be finalised by 26 January 2018.
- n) Provide to the FWO within 14 days of each of the dates specified in subclause 26(m) above, details of the methodology used to conduct the Audit and the outcome of the Audit:
- o) In the event an Audit discloses contraventions of any applicable Commonwealth workplace law and/or instruments, rectify all such contraventions and provide evidence of any rectification within 28 days of each of the dates specified in subclause 26(m) above, including rectification of any and all underpayments to employees;

Workplace relations training

- Within 60 days of the execution of this Undertaking, organise and ensure training is provided to all persons who have managerial responsibility for human resource, recruitment or payroll functions (Training);
- q) Ensure the Training relates to compliance with applicable Commonwealth of Australia workplace laws and instruments, including but not limited to the rights and responsibilities of employers under the FW Act, the Food Award and the Restaurant Award;
- r) Ensure the Training is conducted by an accredited workplace trainer, such person or organisation to be approved by the FWO and paid for by Four Seasons Australia;
- Provide the training materials to be used in the Training to the FWO no later than 14 days before the Training is to be conducted;
- t) Provide evidence of attendance at the Training to the FWO within 7 days of the Training being provided (including the name and position of all attendees and the date on which the training was attended);
- u) For a period of 3 years from the execution of this Undertaking, ensure that training is conducted in the manner prescribed in paragraphs 26(p)-(q) in relation to any new or existing employees who, after the commencement of this Undertaking, acquire managerial responsibilities that

include human resources, recruitment or payroll functions on behalf of Four Seasons Australia;

No Inconsistent Statements

- v) Four Seasons Australia and Mr. Young Hun Cha:
 - (i) must not; and
 - (ii) must ensure that each of its officers, employees or agents, do not

make any statement, orally or in writing or otherwise imply anything that is inconsistent with admission or acknowledgements contained in this agreement.

Acknowledgements

- w) acknowledges that:
 - the FWO may make this Undertaking (including any attachments) available for public inspection, including by posting it to its <u>website</u> at <u>www.fairwork.gov.au</u> (subject to the FWO taking any necessary steps to redact the names of individuals not party to the Undertaking);
 - the FWO may release a copy of this Undertaking pursuant to any relevant request under the Freedom of Information Act 1982 (Cth);
 - III. the FWO may issue a media release in relation to this Undertaking and from time to time, publicly refer to the Undertaking and its terms;
 - IV. the admissions made in the Undertaking may be relied upon by the FWO in respect of any future decision about enforcement action to be taken in relation to any future noncompliance with Commonwealth workplace relations obligations by Four Seasons Australia;
 - V. consistent with the Note to section 715(4) of the FW Act, this Undertaking in no way derogates from the rights and remedies available to any other person arising from the conduct set out in this Undertaking;
 - VI. if the FWO considers that Four Seasons Australia has contravened any of the terms of this this Undertaking the FWO may apply to any of the Courts set out in section 715(6) of the FW Act, for orders under section 715(7) of the FW Act;
 - VII. consistent with section 715(3) of the FW Act, Four Seasons Australia may withdraw from or vary this Undertaking at any time, but only with the consent of the FWO.

EXECUTED by Four Seasons Australia Pty Ltd in accordance with section 127(1) of the Corporations Act (Signature, of director) (Signature of director/company secretary) (Name of director/company secretary) (Date) in the presence of: in the presence of: (Signature of witness) (Name of witness) ACCEPTED by the FAIR WORK OMBUDSMAN pursuant to section 715(2) of the Fair Work Act 2009 ROBELTOWN, ACTING Delegate for the FAIR WORK OMBUDSMAN in the presence of: (Signature of witness) ACCEPTED by the FAIR WORK OMBUDSMAN pursuant to section 715(2) of the Fair Work Act 2009 on: FAIR WORK OMBUDSMAN (Date) in the presence of:

(Name of Witness)

Executed as an undertaking

(Signature of witness)

Attachment A - Employees

Employee A
Employee B
Employee C

Attachment B

Underpayments resulting from contraventions:

Employee	Total Underpayment (gross)	Total Paid (gross)	Total Outstanding (gross)	
Employee A \$26,226.22		\$4,549.59	\$21,646.63	
Employee B	\$18,460.23	\$4,441.95	\$14,018.28	
Employee C \$6,551.45		\$0	\$6,551.45	

Attachment C - Workplace Notice and Public Notice

Contraventions of the Fair Work Act 2009, the Restaurant Industry Award 2010 and the Food, Beverage and Tobacco Manufacturing Award 2010 by Four Seasons Australia Pty Ltd

We refer to the investigation conducted by the Office of the Fair Work Ombudsman (FWO) into allegations that Four Seasons Australia Pty Ltd contravened the Fair Work Act 2009, the Restaurant Industry Award 2010 and the Food, Beverage and Tobacco Manufacturing Award 2010.

Four Seasons Australia Pty Ltd is a Sushi Restaurant business operating in Queensland and New South Wales and no previous contraventions of Commonwealth workplace laws have been determined against Four Seasons Australia Pty Ltd.

The FWO has found that Four Seasons Australia Pty Ltd contravened the Fair Work Act 2009, the Restaurant Industry Award 2010 and the Food, Beverage and Tobacco Manufacturing Award 2010.

By:

- failing to have a written part-time agreement;
- failing to pay the minimum hourly rate for hours worked;
- failing to pay the correct Saturday penalty rate;
- failing to pay the correct Sunday penalty rate;
- failing to pay the correct Public Holiday penalty rate;
- failing to pay overtime rates of pay;
- failing to give the employees 8 days off work in a 4 week period;
- failing to pay annual leave upon termination; and
- · failing to pay annual leave loading at termination.

Four Seasons Australia Pty Ltd and its director Mr. Young Hun Cha has formally admitted to the FWO that these contraventions occurred and has entered into an Enforceable Undertaking with the FWO (will be available at www.fairwork.gov.au) committing to a number of measures to remedy the contraventions, including rectifying the underpayments.

Four Seasons Australia Pty Ltd and Mr. Young Hun Cha express their regret and apologise for the conduct which resulted in contraventions. Furthermore, Four Seasons Australia Pty Ltd and Mr. Young Hun Cha gives a commitment that such conduct will not occur again and that they will comply with all requirements of Commonwealth workplace relations laws in future.

Anyone can contact the FWO via the website www.fairwork.gov.au or the Infoline on 13 13 94 to check their rates of pay and Award terms and conditions.

Attachment D - Apology Letter

FORM OF APOLOGY LETTER TO EMPLOYEES A & B

<Date>

<Name of the Employee>

<address>

Dear < Employee Name>

I am writing to apologise on behalf of Four Seasons Australia Pty Ltd for non-compliance with Commonwealth Workplace relations laws. A recent investigation conducted by the Office of the Fair Work Ombudsman (FWO) determined that Four Seasons Australia Pty Ltd had contravened the Fair Work Act 2009 the Restaurant Industry Award 2010 by:

- · failing to have a written part-time agreement;
- · failing to pay the minimum hourly rate for hours worked;
- failing to pay the correct Saturday penalty rate;
- failing to pay the correct Sunday penalty rate;
- failing to pay the correct public holiday penalty rate;
- · failing to pay overtime rates of pay;
- failing to give the employees 8 days off work in a 4 week period;
- · failing to pay annual leave upon termination; and
- · failing to pay annual leave loading at termination.

Regrettably, the investigation determined that you were affected by the above contraventions.

Four Seasons Australia Pty Ltd is taking steps to remedy the contraventions, including by rectifying <\$[insert amount]> that you have been underpaid and making a donation of \$2000.00 to the Working Women's Centre QLD to fund education about workplace rights. You will receive this payment on <[insert date]> and will be provided with payment advice regarding the payment.

Four Seasons Australia Pty Ltd have formally admitted to the FWO that Four Seasons Australia Pty Ltd did not comply with its obligations under Commonwealth workplace relations laws and have entered into an Enforceable Undertaking with the FWO, a copy will be available from the FWO website at www.fairwork.gov.au. As part of the Enforceable Undertaking we have committed to a number of measures to ensure future compliance with Commonwealth workplace relations laws.

Four Seasons Australia Pty Ltd expresses its sincere regret and apologises to you for failing to comply with our lawful obligations.

Should you have any questions, please contact [party to include contact details].

Yours sincerely

Young Hun Cha

Attachment E - Apology Letter

FORM OF APOLOGY LETTER TO AFFECTED EMPLOYEE C

<Date>

<Name of the Employee>

<address>

Dear < Employee Name >

I am writing to apologise on behalf of Four Seasons Australia Pty Ltd for non-compliance with Commonwealth Workplace relations laws. A recent investigation conducted by the Office of the Fair Work Ombudsman (FWO) determined that Four Seasons Australia Pty Ltd had contravened the Fair Work Act 2009 the Food, Beverage and Tobacco Manufacturing Award 2010 by:

- failing to have a written part-time agreement;
- failing to pay the minimum hourly rate for hours worked;
- · failing to pay the correct public holiday penalty rate;
- failing to pay overtime rates of pay;
- · failing to pay annual leave upon termination; and
- failing to pay annual leave loading at termination.

Regrettably, the investigation determined that you were affected by the above contraventions.

Four Seasons Australia Pty Ltd is taking steps to remedy the contraventions, including by rectifying <\$[insert amount]> that you have been underpaid and making a donation of \$2000.00 to the Working Women's Centre QLD to fund education about workplace rights. You will receive/ this payment on <[insert date]> and will be provided with payment advice regarding the payment.

Four Seasons Australia Pty Ltd have formally admitted to the FWO that Four Seasons Australia Pty Ltd did not comply with its obligations under Commonwealth workplace relations laws and have entered into an Enforceable Undertaking with the FWO, a copy will be available from the FWO website at www.fairwork.gov.au. As part of the Enforceable Undertaking we have committed to a number of measures to ensure future compliance with Commonwealth workplace relations laws.

Four Seasons Australia Pty Ltd expresses its sincere regret and apologises to you for failing to comply with our lawful obligations.

Should you have any questions, please contact [party to include contact details].

Yours sincerely

Young Hun Cha



Section 715 Fair Work Act 2009 Enforceable Undertaking - Variation

- This variation to an enforceable undertaking is made pursuant to section 715(3) of the Fair Work Act 2009 (Cth).
- On 21 July 2016, the Fair Work Ombudsman (FWO) accepted an enforceable undertaking from Four Seasons Australia Pty Ltd (ACN 083 264 699) (Four Seasons Australia).
- Four Seasons Australia has requested the FWO's consent to:
 - (a) vary clause 26(a) of the enforceable undertaking by extending the date by which Four Seasons Australia will pay to the Employees the total amounts arising from the Contraventions as stipulated in **Attachment B** of the enforceable undertaking; and
 - (b) consequential variations to clause 26(j) and Attachments D and E of the enforceable undertaking.
- 4. The FWO consents to vary the terms of payment contained in clause 26 (a) of the enforceable undertaking by:
 - (a) deleting "within 21 days of the execution of this Undertaking" and replacing it with "in accordance with the payment plan as provided for in **Attachment F**"; and
 - (b) adding a new Attachment to the enforceable undertaking, being Attachment F, in the terms set out in Annexure A to this variation.
- 5. The FWO further consents to vary the terms of the enforceable undertaking by:
 - (a) in clause 26(j), deleting "Within 14 days of the execution of this Undertaking" and replacing it with "by 20 October 2016".
 - (b) in each of the apology letters in Attachments D and E, deleting "You will receive this payment on <insert date>" and replacing it with "You will receive monthly payments of <insert amount> commencing on 26 September 2016 for a period of six months the first payment of which has already been".
- The variations in paragraph 4 and 5 above are taken to be terms of the enforceable undertaking given by Four Seasons Australia from the date of the consent by the Fair Work Ombudsman, or her authorised delegate, to the variations.
- All other terms of the enforceable undertaking remain unchanged.

ABN: 43 884 188 232

 Four Seasons Australia agrees and acknowledges that a copy of this variation may be made available for public inspection by the FWO, including by posting a copy to the FWO's website at www.fairwork.gov.au.

section 127(1) of the Corporations Act 2001 (Ci	th):
2/ 62	
	·
(Signature of director)	(Signature of director/company secretary)
/	
YOUNG HUN CHA.	
(Name of director)	(Name of director/company secretary)
1 , ,	
06 / 10 / 16. (Date)	
(Date)	(Date)
in the annual of	i- 4b
in the presence of:	in the presence of:
/1/ A	
// Charles	
(Signature of witness)	(Signature of witness)
(Name of witness)	
(Name of witness)	(Name of witness)
EXECUTED by Four Seasons Australia Pty L section 127(1) of the Corporations Act 2001 (Ct	
section 127(1) of the Corporations Act 2001 (Ci	ui).
(Signature of director)	(Signature of director/company secretary)
(Name of director)	(Name of director/company secretary)
(Date)	(Date)
(Date)	(Date)
(Date) in the presence of:	(Date) in the presence of:
in the presence of:	in the presence of:
in the presence of:	in the presence of:

SIGNED by Four Seasons Australia Pty Ltd (ACN: 083 264 699) in accordance with

Attachment F

Monthly Repayment Schedule

Payment Date	26/09/2016 Paid	26/10/2016	25/11/2016	26/12/2016	26/01/2017	27/02/2017
Employee A	\$3,607.77	\$3,607.77	\$3,607.77	\$3,607.77	\$3,607.77	\$3,607.78
Employee B	\$2,336.38	\$2,336.38	\$2,336.38	\$2,336.38	\$2,336.38	\$2,336.38
Employee C	\$1,091.91	\$1,091.91	\$1,091.91	\$1,091.91	\$1,091.91	\$1,091.90

Work Act 2009 (Cth):

| Complete | Complete

(Signaturé of witness)

(Name of Witness)

CONSENTED TO by the Fair Work Ombudsman pursuant to section 715(3) of the Fair