

## Public Apology from MAde Establishment:

In early 2017, following a change in ownership and management, MAde Establishment conducted a review of its records and identified circumstances where it had failed to correctly pay many of its employees. MAde Establishment self-reported this to the Fair Work Ombudsman (FWO) which subsequently commenced an investigation into Jimmy Grants and the MAde Establishment group of companies, being the Hellenic Republic, Press Club and Gazi restaurants.

Since first identifying the underpayment issues, the MAde Establishment group has back-paid 515 current or former employees \$7.83m. This amount comprised underpayments for the admitted contraventions listed below. In some cases, workers were incorrectly classified. Record-keeping laws relating to time records for some annualised salary employees were not adhered to, contributing to underpayments.

The FWO also found underpayments of about \$16,000 for 9 employees at two Jimmy Grants stores. Jimmy Grants (Emporium) and Jimmy Grants (Fitzroy) incorrectly classified some workers and for some employees the wrong award was applied, resulting in underpayments of base rates for ordinary hours and a range of penalty rates.

MAde Establishment has formally admitted to the FWO that contraventions relating to the following failures occurred and has entered into an Enforceable Undertaking (EU) with the FWO (available at [www.fairwork.gov.au](http://www.fairwork.gov.au)) committing to a number of measures to remedy the contraventions, rectify workplace practices and ensure future compliance:

- failing to pay: minimum rates of pay, casual loadings, Saturday, Sunday, Public Holiday, early morning and evening penalty rates, overtime rates, split shift allowances, minimum hourly engagements, penalties for working through meal breaks and annual leave loadings;
- failing to conduct annual reconciliations for those employees paid through an annual salary arrangement to ensure those employees had been properly remunerated for all accrued overtime and penalty rates;
- failing to make and keep part time work agreements; and
- failing to keep a record of start and finish times for employees on annualised salaries.

The commitments made by MAde Establishment in the EU include:

- a contrition payment of \$200,000 to the Commonwealth;
- committing to workplace relations training for all staff with responsibility for human resources, recruitment, on-site management or payroll functions;
- completing audits for a period of three years;
- implementing systems and processes to monitor compliance at all times;
- registering with the FWO 'My account' portal; and
- a commitment from George Calombaris to promote compliance within the restaurant industry and to educate fellow industry leaders about the importance of complying with the Fair Work Act.

MAde Establishment expresses its sincere regret and apologises for the conduct that resulted in the contraventions. MAde Establishment is committed to ensuring compliance with Commonwealth workplace laws and becoming a force for change in the industry.

**George Calombaris**, founding shareholder (*shareholder 2008-current, director 2008-2018*)

**Radek Sali**, Director of MAde Establishment (*director 20 December, 2016-current, shareholder 20 December, 2016 - current*)

**Adam Gregory**, Director of MAde Establishment (*director 26 April, 2017-current, shareholder 28 August, 2017 -current*)