



Restaurant
& Catering

MEDIA RELEASE
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IMMEDIATE

PENALTY RATE RELIEF FOR RESTAURATEURS

Today's decision by a Full Bench of the Fair Work Commission to reduce penalty rates by 25 percent on Sundays for casual employees has been welcomed by Restaurant & Catering Australia (R&CA) - the national association that leads and represents the interests of the 35,000 Australian restaurant, cafe and catering businesses.

R&CA CEO John Hart says the positive result comes after the association's historic fight for changes to the penalty rate regime introduced through the Restaurant Industry Award in 2010.

"I'm pleased to hear the decision to reduce casual loadings on Sundays from 175% to 150% will come into effect from 1 July 2014.

"This will provide labour cost relief for restaurant and café operators currently trading on Sundays.

"Businesses that are currently shut on Sundays may re-consider closing – returning convenience to Sunday diners.

"The industry will most likely save about \$112 million each year - with this decision ensuring the industry continues to push for further penalty rate reforms under the Fair Work Commission four yearly review of Modern Awards," said Mr Hart.

R&CA made an application under the Modern Awards Review Process in 2012 highlighting deteriorating trading conditions since the introduction of the Restaurant Industry Award and sought to make significant changes to penalty rates, classification structure and payment of wages under the Restaurant Industry Award.

The application was rejected by a decision of Fair Work Commission Deputy President Gooley on 10 October 2013, which resulted in the association lodging an appeal to a Full Bench.

A number of elements of the Deputy President Gooley Decision including Sunday penalty rates and the classification structure were today found to be subject to appellable errors by the Full Bench, including that the Restaurant Industry Award was operating as intended without anomalies or technical problems.

For further information on this media release please contact:

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