

Media Statement – MAdE Establishment

12 September 2017

MAdE Establishment has sent a letter to former employees to inform them that all existing claims for outstanding payments would be settled by Friday October 13th, 2017.

In April, the company reported to the Fair Work Ombudsman that historically poor processes had led to classifying employees so approximately half the affected team members were underpaid their base salary, approximately half were overpaid their base salary, and others received incorrect entitlements under the Award.

The same day the company paid \$2.6 million to 162 current employees and began a process of reconciling and paying what was owed to former employees.

The letter written by MAdE Establishment CEO Troy McDonagh said that the company would also settle any new claims within four weeks.

Mr McDonagh wrote:

“That process to reconcile and settle claims has been ongoing, with payments to groups of former employees being progressively paid on a weekly basis. The process of identifying, reviewing, reconciling and paying former employees has been complicated and time-consuming, with the review going back six years and in some cases requiring checks across multiple restaurants with varying systems and varying quality of record keeping.”

“The time taken to assess each claim properly and accurately is substantially greater than what we had first anticipated and has required us to continue to commit additional resources into ensuring we correctly reconcile claims as quickly as possible. Having said this, we understand the frustration of those still waiting.”

“To help reduce confusion or dispute, the calculation for all our workers - current and former - has been based on employees working a regular 38-hour week, and all payments calculated assuming each hour above this is calculated at the highest overtime rate of 200%.”

“As we have previously stated, we deeply regret that current and former employees were incorrectly paid.”

“Since commencing as CEO in late 2016, our team has worked hard to improve all our systems and processes to ensure we have a great environment where every single employee is treated fairly and paid what they are entitled to under the Award.”

“We now have the right systems in place that ensure our current employees are paid correctly and will continue to be paid correctly.”

“We thank you for your patience. If you know any former staff member over the past six years who has not been in touch tell them to contact us at hrenquiries@madeestablishment.com.au.”

The letter told the former workers that the company had communicated the Friday October 13, 2017 timeline to the Fair Work Ombudsman and will keep them updated on its progress.

For all inquiries please contact:

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