

IN FAIR WORK COMMISSION

**FWC Matter No.: AM2014/305 &
Others**

SWORN STATEMENT OF [REDACTED]

I, [REDACTED] in the State of Victoria state as follows:

1. I am the business owner of [REDACTED]
2. The restaurant opened in February 2014 and has a fully licensed bar and full a la carte menu.
3. I have worked in the hospitality industry for 25 years.
4. The company trades for breakfast, lunch & dinner, 7 days of the week.
5. The operating times for trade are 7AM to Midnight (approximately).
6. Our labour costs at over 40% are completely unsustainable.
7. We also own and operate 2 other restaurants in this sector which are governed by a collective agreement (2007). We DO NOT pay penalty rates at these 2 restaurants as per our collective agreement and our wages are approximately 35-38%, a huge difference to 40-45% at [REDACTED]. Unfortunately [REDACTED]
[REDACTED] will most likely go on the market to be sold in the next 12 months as there is very little net profit after operating & fixed costs.
8. We have chosen to close on Public Holidays, this significantly impacts on our revenue, particularly in April when there were 4 public holidays
9. Our wage % DOES NOT include, annual leave payments, superannuation, workers comp and payroll tax. This would approximately increase wages by an additional 5 %
10. Penalty rates during the evening and on weekends and public holidays increase our already exorbitant costs of running a restaurant to an unsustainable position.
11. We need to get this industry running at a 35% or less wage bill for it to be profitable, this is impossible with penalty rates.
12. There is such a broad range of menu sell price in our industry that restaurants that charge higher prices (fine dining) have a distinct advantage due to the rate of pay for

- employees being the same for those businesses charging lesser prices for the menu items. This means we are driving our industry to a much more exclusive and expensive position rather than supporting the smaller, cheaper, local, every day businesses.
13. If the 10% late night penalties after 10PM and 15% after midnight were abolished we would stay open later, employ more people and be able to increase our revenue on alcohol and wine sales which in turn would help our profit margin

Signature of deponent [REDACTED]

Name of witness [REDACTED]

Address of witness [REDACTED]

Capacity of witness [REDACTED]

To be completed by witness:

I certify the following matters concerning the making of this sworn statement by the person who made it:

- I saw the face of the person ; and
- I have known the person for at least 12 months OR I have not known the person for at least 12 months, but I have confirmed the person's identity using an identification document and the document I relied on was.....

Signature of witness [REDACTED]

Dated: 4/6/15