



Friday, 13 January 2012

When I spoke up last week about weekend and public holiday penalty rates in restaurants, I wasn't just thinking about my own business.

I was thinking about the neighbourhood restaurants – the 30-seaters – that feed families in every town and city in Australia, every night. These are the small businesses that form the backbone of the Australian hospitality industry.

I love what I do and I've been very fortunate to have some success. I've worked incredibly hard to get to where I am. I know that there are young people across the country are doing the same.

Good restaurants are about passion and work ethic. When you put in the effort you deserve to get paid well.

But hospitality is a tough industry, too. There are many variables and almost all of them come at a cost: suppliers, rent bills, energy bills, and, yes, staff. These hit the small operators just like they hit the big names.

What frustrates me about penalty rates is that they do not reflect the reality of supply and demand.

There is nothing unusual about wanting to eat in the nice restaurant on a Sunday. And there is nothing unusual about wanting to work in a restaurant on a Sunday. Many of my staff prefer to work on weekends so they can go to university on a Monday, Tuesday or Wednesday, for example.

Yet to meet the extra costs of paying penalty rates on Sundays, your average restaurant owner might have to charge \$72 for a steak that would otherwise cost \$32. His or her customers wouldn't accept that and nor should they.

It's not fair that a 'Tuesday worker' gets paid less than a 'Sunday worker', in the same way that it's not fair to sell a \$32 meal for \$72.

This is not a campaign about industrial laws or about driving wages down. I pay my employees above and beyond the standard award rate and many other restaurant owners do the same, or would like to if they could afford it.



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It's about raising awareness of the challenges facing the entire restaurant sector.

We want to offer great food and service every day of the week. We also want to pay our employees well and reward them for hard work. It's hard to find that balance when your costs are constantly rising. Penalty rates make it harder.

As we can see from Masterchef, this is a golden age for Australian food – there's never been more interest in cooking, eating and drinking the best this country has to offer.

But food is not just about the glamour of the celebrity names and destination restaurants. It's also about the reality of running a business – about keeping your supply costs under control so you can meet the demand.

There's no magic solution and I'm not expecting the government to give me one. What I want is a sensible, balanced debate about all the cost pressures on restaurateurs – not just wages – and how we can make the system work for employers, employees and customers.

George Calombaris



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