

# Darrell Lea workers lose \$400,000 in pay as Fair Work Commission ruling flouted

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Unprecedented ... Darrell Lea owners Tony and Christina Quinn pictured at their Queensland home Source: News Corporation Source: News Limited

## **A COMPANY that was part of Darrell Lea has defied the Fair Work Commission by leaving six Sydney workers more than \$400,000 out of pocket.**

In a first, the company formerly responsible for employing Darrell Lea staff — DL Employment — was ordered to pay redundancies but has been liquidated instead, leaving workers without entitlements.

Darrell Lea is owned by Queensland-based dog-food millionaires Tony and Christina Quinn.

In January, the Fair Work Commission told DL Employment — part of Darrell Lea, bought by the Quinn family in 2012 — to pay out the six workers because personal circumstances meant it was not reasonable for the sweet-maker to require them to journey to a new factory in the south-western Sydney suburb of Ingleburn, 36 kilometres from the original Kogarah site.

Instead of paying, DL Employment was placed in voluntary administration.

“I don’t have \$400,000 to pay them,” liquidator Jason Bettles, a partner at Worrells, told *News Corp Australia*.





No money ... Tony and Christina Quinn are the owners of DL Employment — a subgroup of Darrell Lea Chocolates — which was liquidated when ordered to pay worker redundancies, leaving employees without entitlements. Picture: News Corp Australia. Source: News Limited

DL Employment doesn't even have \$400 in the bank, according to a directors report seen by News Corp Australia.

Mr Bettles, who said he'd not seen a liquidation like this, hopes to raise about \$200,000 from an annual leave kitty and tax overpayments.

For the remainder he's suggested the workers to turn to the taxpayer via the Fair Entitlements Guarantee fund.

But the Australian Manufacturing Workers' Union, which represented the employees at the commission, said the guarantee fund would not cover employees short-changed in such circumstances.

"What the company has done is unprecedented," said AMWU NSW secretary Tim Ayres.

"They are flagrantly avoiding an order of the Fair Work Commission.

"This is the lowest of acts, particularly after the public rallied to the aid of Darrell Lea during their crisis in 2012. It's not what anyone would expect of an iconic Australian company and they can't be allowed to get away with it," Mr Ayres said.

"It's disgraceful and the Quinn family ought to be ashamed of themselves."





Former Darrell Lea worker Mark McNeil has been left in the lurch after Darrell Lea liquidated the company which was ordered by Fair Work Australia to pay his redundancy entitlements. Picture: John Appleyard. Source: News Corp Australia

The affected employees have not worked since the Kogarah site shut in May last year. Because their redundancy is a result of the factory move and not the liquidation, they are unable to tap the guarantee fund.

Former employee Mark McNeil, 56, could not work at Ingleburn because he has to be near to his disabled sister and 87-year-old mother.

"It was too far away in an emergency," Mr McNeil said.

He has had to raid his superannuation to survive. He said he is owed at least \$82,000.

"That money means a lot to me and my family," Mr McNeil said.

Workers who were willing and able to go to Ingleburn were transferred to a new entity, KQ Employment, a day before DL was placed in voluntary administration.

Darrell Lea did not respond to repeated requests for comment. Darrell Lea Confectionery's sole director is Tony Quinn. Its sole \$1 share is in the name of a holding company whose only director is his wife Christina.





Broke ... Mark McNeil, 56, needs the money to help look after his disabled sister and 87-year-old mother, Pauline McNeil. Picture: John Appleyard.  
Source: News Corp Australia

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The same holding company also owned the sole \$1 share in DL Employment until 2014 when it was transferred to Tony Quinn's brother, Sinclair.

BRW have estimated Tony and Christina Quinn's their worth at \$370 million.

DL Employment's sole director is Tony's brother, Sinclair. Darrell Lea's general manager is Klark Quinn, son of Tony and Christina Quinn. [Subs: do not remove]

The Fair Work Commission's decision has prompted major law firms to advise employer clients to keep in mind that increased distance and travel time to a new workplace may render an offer of employment unsuitable particularly where the employee has personal commitments or other circumstances which conflict with such demands.

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