

WHAT YOU NEED TO KNOW FOR THE UPDATE TO FAIR WORK

Brought to you by
Toowoomba Chamber of Commerce

Presented by Focus HR



TOOWOOMBA
CHAMBER



DISCLAIMER

Being general information pertaining to the field of human resource management, the information in this presentation should never override any legal or specific advice provided to you by the state or federal governments or professional or legal advice given specific to your situation.

AGENDA

- Introduction
- Last years' predictions
- Year in review
- Minimum wage increase
- Award changes
- Annualised wage arrangements
- Looking forward
- Q&A

IF WE HAD A
TIME
MACHINE...



FAIR WORK COMMISSION STATS

FAIR WORK COMMISSION – YEAR IN REVIEW



29,631
Applications
Lodged



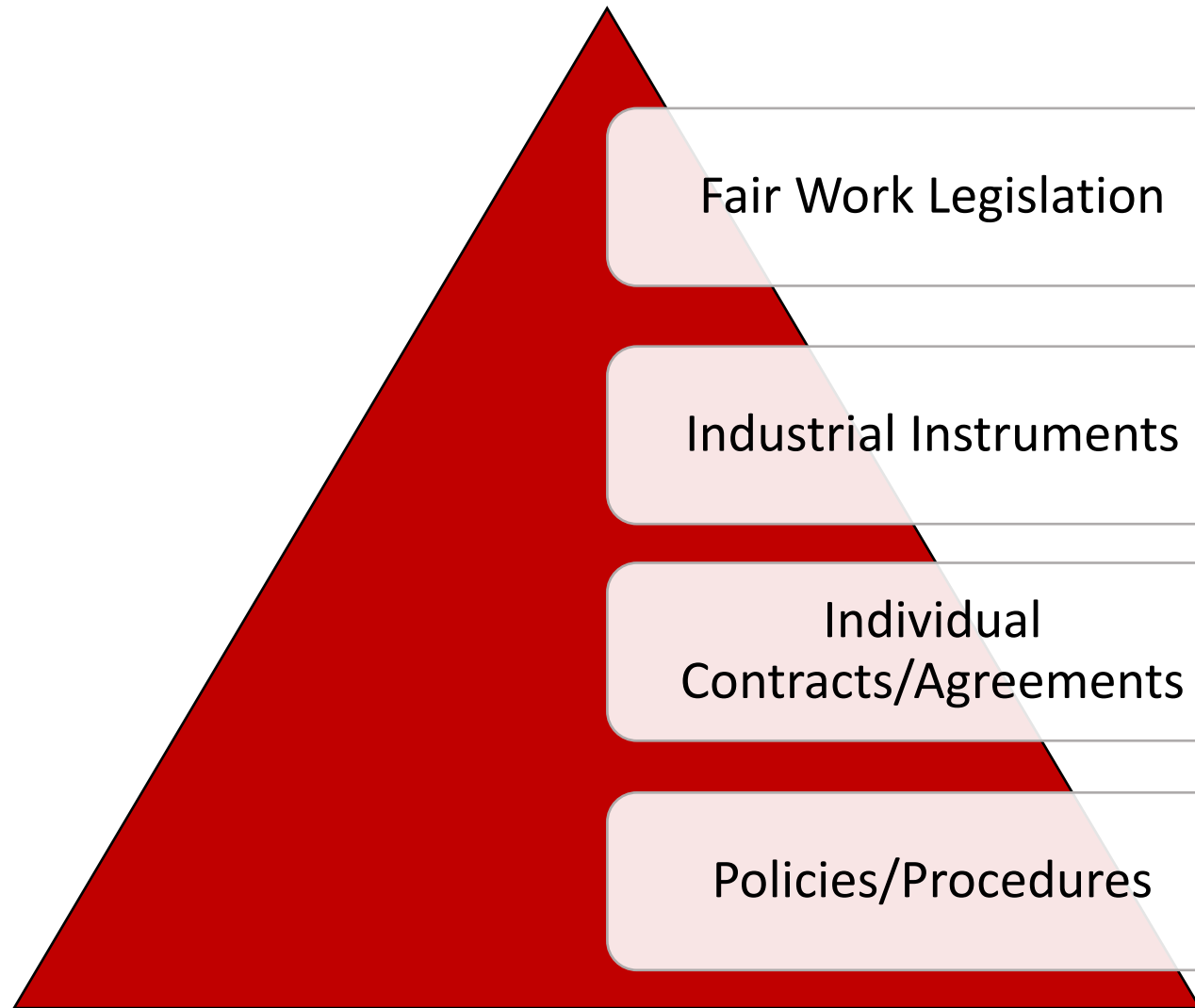
13,281
Unfair
Dismissal



4,102
General
Protections



3,753
Agreement
Applications



Fair Work Legislation

- Fair Work Act 2009 (Cth)
 - National Employment Standards
- Fair Work Regulations 2009 (Cth)

Industrial Instruments

- Modern Awards
- Enterprise Agreements

Individual Contracts/Agreements

- Contracts of employment/employment agreements

Policies/Procedures

- Implemented by an employer to cover a range of matters



MINIMUM WAGE INCREASE

MINIMUM WAGE INCREASE 2022

- the National Minimum Wage will be \$812.60 per week (up from \$772.60 per week) or \$21.38 per hour (up from \$20.33 per hour), which amounts to a 5.2% increase; and
- modern award minimum wage rates will increase by 4.6% subject to a minimum increase of \$40 per week:
 - modern award minimum wage rates above \$869.60 per week will increase by 4.6%; and
 - modern award minimum wage rates below \$869.60 per week will increase by \$40 per week.

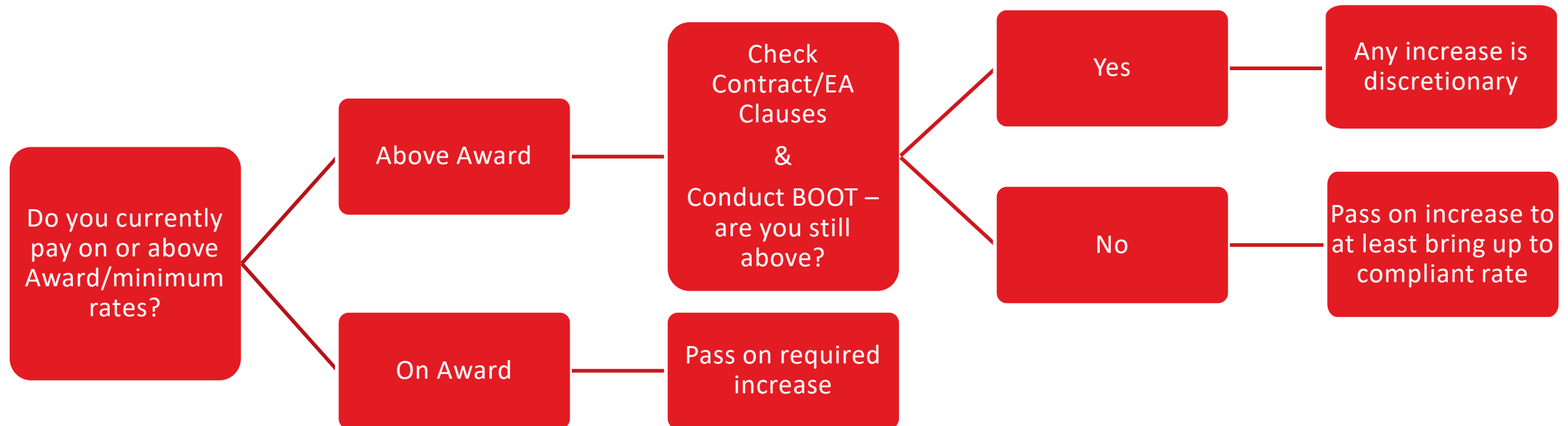
MINIMUM WAGE INCREASE 2022

1 July 2022	All modern awards other than...
1 October 2022	Aircraft Cabin Crew Award, Airline Operations – Ground Staff Award, Air Pilots Award, Airport Employees Award, Air Services Australia Enterprise Award 2016, Hospitality Industry (General) Award, Registered and Licensed Clubs Award, Restaurant Industry Award, Marine Tourism and Charter Vessels Award, Alpine Resorts Award

MINIMUM WAGE INCREASE 2022

- **Example: Employee earning less than \$869.60**
 - Kelly is a full-time employee working under the Clerks – Private Sector Award. She is in her first year of employment as a level 1 clerical employee.
 - Kelly's weekly minimum wage before 1 July 2022 is \$821.40.
 - As this weekly wage is below \$869.60, she will receive a \$40 increase in her weekly wage from 1 July 2022.
- **Example: Employee earning above \$869.60**
 - Hannah is a trade qualified employee working under the Manufacturing Award. She works at a higher level of C10.
 - Hannah's weekly minimum wage before 1 July 2022 is \$899.50.
 - As this weekly wage is above \$869.60, her weekly wage will increase by 4.6% from 1 July 2022.

WHEN TO APPLY



DON'T FORGET SUPERANNUATION INCREASE

From 10% to 10.5% on 1 July 2022

1 July 2022

1 July 2025

+ 0.5% each year thereafter until it reaches 12% by 1 July 2025



PRACTICAL CONSIDERATIONS

- Check:
 - Contracts of Employment
 - Individual Flexibility Arrangements
 - Enterprise Bargaining Agreements
- Review salaries and all-inclusive hourly rates
- Payroll system updates
- Communication!!

PENALTIES FOR CONTRAVENTIONS

Penalties can range from:

- \$13,320 per contravention for an individual and \$66,600 per contravention for companies; to
- 'Serious contraventions' up to \$133,200 per contravention for an individual and \$666,000 per contravention for companies.

Penalties are per contravention, meaning employers can be hit with multiple fines in the event they breach multiple provisions.



Reputation



Compensation, backpay (+ interest)



A person wearing a blue denim shirt is sitting at a desk, writing on a notepad with a blue pen. Their left hand, wearing a silver watch, is pointing at architectural plans spread out on the desk. A red semi-transparent box is overlaid on the left side of the image, containing the text 'OTHER AWARD CHANGES'.

OTHER AWARD CHANGES

QUICK SUMMARY OF CHANGES TO THE HORTICULTURE AWARD

New piece rate rules

- For casuals, the minimum hourly rate includes the casual loading.
- New definitions for competent pieceworkers, minimum hourly rate, and average productivity
- Minimum wage guarantee
- Record keeping obligations



QUICK SUMMARY OF CHANGES TO THE SOCIAL, COMMUNITY, HOME CARE AND DISABILITY SERVICES INDUSTRY AWARD

- New minimum engagement periods for casual and part-time employees
- Broken shift allowances
- Client cancellation options
- Remote worker entitlements



PRACTICAL CONSIDERATIONS

- Check:
 - Contracts of Employment
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- Communication!!



ANNUALISED SALARIES

ANNUALISED WAGE ARRANGEMENTS

Further Awards with Annualised Wage Arrangements Added:

- Health Professionals Award
- Hospitality Industry (General) Award
- Restaurant Industry Award
- Marine Towage Award



PRACTICAL CONSIDERATIONS

- Check:
 - Salaries and all-inclusive hourly rates and Individual Flexibility Arrangements
 - Contracts of Employment
 - Permission to work overtime
- Record keeping is a must!
 - How the wage has been calculated
 - Max overtime or penalty hours
 - Start / finish times and unpaid breaks taken
 - Employees must sign confirmation of timesheets for each pay period



ON THE HORIZON



ON THE HORIZON

Election promises (not guaranteed to entuate...)

- Same job same pay
- Paid family and domestic violence leave
- Criminal offence for 'wage theft'
- Amending the definition of 'casual employee' in the Fair Work Act to restore the common law definition
- Implementing recommendations from the Respect@Work Report
- Superannuation in the NES
- Prioritising secure work for workers, including through a portable entitlement scheme, limiting fixed term contracts and more

QUESTIONS



Thank You



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