

MEMBERS UPDATE



**OCTOBER
2022**



In this month's members update we look at:

- National Day of Mourning and other upcoming public holidays
- 1 October 2022 minimum wage increases
- Reminder on Long Service Leave Act 1958 (WA) (LSL Act) came into operation in Western Australia on 20 June 2022
- Payroll Compliance: Start Monthly training with your Payroll team

Welcome to the October 2022 member's update

Our Brisbane Conference is just around the corner and we are looking forward to seeing some of our Queensland members while we are up there. Find further information [here](#)

National Day of Mourning and other upcoming public holidays

Each state and territory confirmed that Thursday 22 September 2022 was a public holiday for a National Day of Mourning for Her Majesty The Queen.

For employees who already had annual leave or personal leave approved for the new public holiday (or LSL in all jurisdictions except SA and NT), you will need to credit them a day of leave.

Specific rules and entitlements apply for public holidays.

Employees (except casual employees) who normally work on the day a public holiday falls will be paid their base pay rate for the ordinary hours they would have worked if they had not been away because of the public holiday.

The base pay rate doesn't include:

- any incentive-based payments
- bonuses
- loadings
- monetary allowances
- overtime or
- penalty rates.

An employee's roster can't be changed to deliberately avoid this payment.

An employee isn't paid for any public holiday that falls during a time when the employee is on unpaid leave. This means that if both sides of the Public Holiday are Unpaid leave days, the Public holiday does not need be paid under Fairwork.

<https://www.fairwork.gov.au/employment-conditions/public-holidays/not-working-on-public-holidays>

1 October 2022 minimum wage increases

Most minimum adult wages under awards increased from the first full pay period on or after 1 July 2022.

For some awards in the aviation, hospitality and tourism industries, the increase will happen from the first full pay period on or after 1 October 2022. The affected awards are:

Aviation

Air Pilots Award [MA000046]

Aircraft Cabin Crew Award [MA000047]
Airline Operations - Ground Staff Award [MA000048]
Airport Employees Award [MA000049]
Air services Australia Enterprise Award 2016

Hospitality

Hospitality Industry (General) Award [MA000009]
Registered and Licensed Clubs Award [MA000058]
Restaurant Industry Award [MA000119]

Tourism

Alpine Resorts Award [MA000092]
Marine Tourism and Charter Vessels Award [MA000093]

<https://www.fairwork.gov.au/newsroom/news/get-set-for-a-minimum-wage-increase#1-october-2022-minimum-wage-increase>

Reminder on Long Service Leave Act 1958 (WA) (LSL Act) came into operation in Western Australia on 20 June 2022

In summary, these changes to the LSL Act:

- **Removing doubt on “casuals” and “seasonal workers” LSL.** They are entitled to long service leave.
- **Absences do not break an employee’s continuous employment;**

An unpaid absence will now not break an employee’s continuous employment if the absence, irrespective of its duration, is:

- under the terms of an employee’s employment contract;
- due to seasonal factors, for instance working at a summer amusement park; or
- due to the regular systematic nature of the employment, if there is a reasonable expectation the employee will return to work.

This includes periods of parental leave for which the employee has received payment (whether from the employer or the Commonwealth Government under its parental leave pay scheme)

In addition, an employee will have continuous employment with their employer even if:

- the employee is employed by the same employer under two or more separate contracts; or
- the employee is also employed by another person during their period of employment with their employer.

Whilst these absences will count towards the length of service for calculating long service leave entitlements, the actual amount of long service leave for a casual or seasonal employee will be based only on the average hours worked during the period of employment.

- **Flexibility in how long service leave is taken;**

An employee and employer may now agree on the period of long service leave to be taken by the employee at the time (e.g. single days or weeks).

An employee can also request that the employer grant them long service leave on either:

- half pay for a greater period of time (e.g., half pay for 16 weeks); or
- on double pay for half the period of time (e.g., double pay for 4 weeks).
- **Cashing out of long service leave;**

A new provision has been included in the LSL Act that states that the employer and employee may not make an agreement for cashing out long service leave before the long service leave entitlement has been accrued.

<https://www.commerce.wa.gov.au/announcements/changes-long-service-leave-act-have-commenced>

Payroll Compliance

You must pay super for eligible employees. To avoid the super guarantee charge (SGC) payments must be received by the employee's fund on or before the quarterly super due dates.

Payments must be received into the employee's super fund at least 4 times a year. This applies from the day employees start working for you. Payment due dates occur quarterly.

| Quarter | Period | Payment due date |
|---------|-------------------------|------------------|
| 1 | 1 July – 30 September | 28 October |
| 2 | 1 October – 31 December | 28 January |
| 3 | 1 January – 31 March | 28 April |
| 4 | 1 April – 30 June | 28 July |

When a super due date falls on a weekend or public holiday, your contribution must be received by the fund on or before the next business day.

You can also make payments more frequently than quarterly, for example fortnightly or monthly. If you do, ensure you pay your total super guarantee (SG) contribution for the quarter by the due date.

Please Note: Your Super clearing house may take a few days to process your super payments for your employees. As the payments must be in the employees account by the Payment Due Date, you may need to make the payment to your clearing house before the 28th to factor in the processing time.

Check with your Clearing house how long it takes them to process your super payments.

FAQ

Q. Does a Car Allowance attract Superannuation?

A. In regards to car allowances, it depends on whether these are deductible expense allowances, or non-deductible expense allowances.

A deductible expense allowance is one where the allowance is intended to compensate an employee for work related expenditure for which the employee can claim a tax deduction. *In this case no super is payable.*

A non-deductible expense allowance is one where the allowance is not specifically all for work related usage (there may be personal usage) and therefore the employee can't claim a tax deduction. *In this case super is payable.*

<https://www.ato.gov.au/business/payg-withholding/payments-you-need-to-withhold-from/payments-to-employees/allowances-and-reimbursements/withholding-for-allowances/>

Members Webinar



Please join us for our members webinar where we will be looking at **“Payroll obligations when on boarding a new employee”**.
Join us on **Tuesday 25th October 2022 at 1pm (Sydney time)**.

[CLICK HERE TO REGISTER](#)