

MEMBERS UPDATE



**DECEMBER
2022**



In this month's members update we look at:

- New paid family and domestic violence leave
- QLD Payroll Tax Mental Health Levy
- Changes to the Children's Services Award
- 15% Increase to Award Wages for Aged Care Workers
- Part-day public holidays changes from 14th November 2022

Welcome to the December 2022 member's update

It is the last month of the year, and there is no rest for payroll. This month we are going to discuss a few changes that we need to prepare for before our Christmas break. Let's end the year well.

New paid family and domestic violence leave

All employees, whether full time, part time or casual, will soon be able to access 10 days of paid family and domestic violence leave in a 12-month period. There leave is not pro-rated for part time and casual employees, they will have access to the full 10 days.

The leave will be available from:

- February 2023, for employees of non-small business employers (employers with 15 or more employees on 1 February 2023)
- 1 August 2023, for employees of small business employers (employers with less than 15 employees on 1 February 2023).

How is the leave granted for new and existing employees?

The leave renews every year on each employee's work anniversary. It doesn't accumulate from year to year if it isn't used.

Employees who start on or after the date that the paid leave entitlement becomes available at their new workplace can access the full 10 days from their first day. The leave will renew on their work anniversary.

Employees who are already employed when the paid leave entitlement starts in their workplace can access the full 10 days on the relevant start date. The leave then renews on the anniversary of when they started working for that employer (not on the anniversary of the relevant start date).

For example, an existing employee who commenced on 15 July 2022 will be granted 10 days on 1 February 2023 if employed by large business employer. Their next 10-day entitlement will then be granted on 15 July 2023.

At what rate is the leave paid?

Full-time and part-time employees can take paid family and domestic violence leave at their full pay rate for the hours they would have worked if they weren't on leave.

An employee's full pay rate is their base rate plus any:

- incentive-based payments and bonuses
- loadings
- monetary allowances
- overtime or penalty rates
- any other separately identifiable amounts.

Casual employees will be paid at their full pay rate worked out as if the employee had worked the hours in

the period for which they were rostered. A casual employee is taken to have been rostered to work hours in a particular period if they have accepted an offer from an employer to work those hours.

Other considerations:

- Do not report paid family and domestic violence leave on the employee's payslip
- Superannuation - paid family and domestic violence leave is considered Ordinary Time Earnings, so superannuation is payable
- Employees will continue to be entitled to 5 days of unpaid family and domestic violence leave under the NES until they can access the new paid entitlement.

To find out more from Fair Work, including the definition of family and domestic violence leave and who is eligible to access the leave, please [click here](#)

QLD mental health levy

The QLD mental health levy thresholds are based on annual Australian taxable wages. The levy is then applied proportionately to Queensland taxable wages that exceed the thresholds.

Australian taxable wages (annual)	Levy rate (applied to Qld taxable wages exceeding the thresholds)
Up to \$10 million	Nil
More than \$10 million (primary threshold)	0.25% (primary rate)
More than \$100 million (additional threshold)	0.25% (primary rate) + 0.5% (additional rate)

The thresholds are adjusted if you:

- are a member of a group
- pay interstate wages
- are only liable to the levy for part of the financial year.

Where more than one of these circumstances apply, multiple adjustments are needed. To see some examples please click on the link below:

<https://www.business.qld.gov.au/running-business/employing/payroll-tax/mental-health-levy/calculating>

Changes to the Children's Services Award

The Fair Work Commission has recently introduced an educational leader's allowance for eligible employees covered by the Children's Services Award. This is as per clause 15.8 of the Children's Services Award 2010.

Employees who perform the responsibilities of an educational leader (under Regulation 118 of the Education and Care Services National Regulations 2011) receive an allowance of \$4,022.05 per year. This is the same amount as the educational leader allowance in the Educational Services (Teachers) Award.

The new allowance is available from the first pay period starting on or after 1 November 2022.

Employees who perform these responsibilities for less than 5 days per week receive the allowance on a pro rata basis, as per clause 15.8.b.

Use Fair Work's [Pay Calculator](#) to calculate the new allowance.

Watch this space - 15% Increase to Award Wages for Aged Care Workers

On the 4th November the Fair Work commissioner has granted an interim 15% increase in the minimum wage rate for all direct aged care classifications in the Aged Care, SCHADS and Nurses awards. Three applications were made to the Fair Work commissioner by the Health Services Union and the Australian Nursing and Midwifery Federation.

The bench said it will determine the timing of the 15% rise in the next stage of the case, while it will determine whether a larger increase is justified in the third stage. Employers who are impacted by these changes should monitor the continuing developments. The next decision is expected to be concluded in February 2023.

Part-day public holidays changes from 14th November 2022

The part-day public holiday schedules were modified to remove uncertainty from 60 modern awards effective from ppc 14 November 2022. All public holiday provisions are in the body of the award. This helps to clarify that;

Hours of work performed immediately before or after a part-day public holiday, that form part of one continuous shift, are counted as part of the minimum payment/engagement period in the relevant clause

Before 14 November 2022, most awards contained a part-day public holiday schedule. The schedules cover public holidays that have been declared between 6pm and midnight, or 7pm and midnight on:

- Christmas Eve (24 December)
- New Year's Eve (31 December).

If there is an inconsistency between the schedule and the public holiday terms in the award, the term in the schedule applies.

<https://www.fwc.gov.au/documents/sites/awardsmodernfouryr/2022fwcfb196.pdf>

Payroll Compliance

Here are 3 common mistakes employers make as they move to STP Phase 2 Reporting:

1. Re-mapping pay codes or categories incorrectly
Make sure you check if you have pay codes for items you need to itemise separately, such as bonuses, commissions and overtime.
2. Continuity of year-to-date (YTD) reporting
If the solution you use requires you to input your existing YTD amounts manually, make sure you bring over all the required amounts.
3. Incorrectly categorising allowances
You need to report all allowances separately in your STP Phase 2 Reporting; this includes eight allowance categories and one for 'other allowances'. Only report an amount as an 'other allowance' if it doesn't fit into one of the eight categories.

If you missed the STP Phase 2 webinar, you can purchase it here to make sure that you are ready and correctly recording.

<https://www.austpayroll.com.au/product/stp-phase-2-what-weve-learnt-so-far/>

FAQ

Q. My employee is taking Leave without pay over the Christmas period. Should they be paid for the public holidays during a period of leave without pay?

A. There is no payment to an employee for a public holiday that falls during a period of leave without pay as the employee's ordinary hours have, by agreement, been reduced to zero for the duration of the absence. Note that this applies when the employee is on leave without pay on both sides of the public holiday.

	LWOP	LWOP	LWOP	PH	LWOP		Not Paid for the PH
Sun	Mon	Tue	Wed	Thu	Fri	Sat	

	LWOP	LWOP	LWOP	PH	Ord		Paid for the PH
Sun	Mon	Tue	Wed	Thu	Fri	Sat	

	Ord	Ord	Ord	PH	LWOP		Paid for the PH
Sun	Mon	Tue	Wed	Thu	Fri	Sat	

Q. An employee was rostered to work on a Public Holiday however, they called in sick. They do not have sufficient leave available. Does the employee get paid for this day as a public holiday should it be unpaid sick leave?

A. The employee would be entitled to receive their normal pay for the public holiday (base rate of pay). This would not be deducted from any sick leave balance or processed as unpaid sick leave.

The PH would only be unpaid if the employee was on unpaid leave on both sides of the PH. If it's just a single day of absence then the employee is entitled to payment for the PH.

Members Webinar

We won't be running a live webinar in the month of December, however we would like to remind you that all webinars throughout the year are available for members to watch in the members resources area.

<https://www.austpayroll.com.au/members-area/webinars/>

Holiday Shutdown

Australian Payroll Association will be taking a well-earned break over the holiday season.

We will be closed from 5pm Friday 23rd December until Friday the 6th of January. Monday 9th January 2023 - Open for business as usual

From all of us at APA, we wish our members a Merry Christmas and a brilliant, prosperous New Year!

