



# MEMBERS UPDATE

————— FEBRUARY 2024 —————

# Welcome to the February 2024 member's update

In this month's members update we look at:

- Fair Work Commission Consultations
- Proposed amendments to stage 3 tax cuts
- Casual employees in the black coal mining industry

We are already back into the full swing of the year and we are getting ready for the *Australian Payroll Summit*. This is a great time to stop and discuss with management your training plan for yourself and your team so we can Create Confidence In How People Are Paid.



# Fair Work Commission Consultations

The Fair Work Commission is currently consulting with interested parties on a number of matters, including making awards easier to use, and potential variations to awards in regards to 'Work and Care'.

## Making Awards Easier to Use

The Fair Work Commission is currently consulting on award variations intended to make awards easier to use. The consultation focuses on the 7 most commonly used awards, being:

- Children's Services Award 2010
- Clerks – Private Sector Award 2020
- Fast Food Industry Award 2010
- General Retail Industry Award 2020
- Hospitality Industry (General) Award 2020
- Restaurant Industry Award 2020
- Social, Community, Home Care and Disability Services Industry Award 2010

Further information regarding the consultation process can be found here - <https://www.fwc.gov.au/hearings-decisions/major-cases/modern-awards-review-2023-24/making-awards-easier-use-part-modern?idU=1>

## Award variations for 'Work and Care'

The Fair Work Commission is commencing consultation on potential award variations in regards to 'Work and Care'. These variations are intended to apply to Carers, including parents with young children. Some of the potential award variations include:

- Flexibility in the workplace
- Working from home
- A right to disconnect
- Four day working week
- Notice of rosters
- Separation of personal and carers leave, with extended entitlements to unpaid carers leave.

The Fair Work Commission has released a discussion paper which can be found here - <https://www.fwc.gov.au/documents/sites/award-review-2023-24/discussion-paper-work-and-care-290123.pdf>

The consultation is scheduled to run from 18 March to 12 April 2024. Interested parties can find the details on the consultation process here - <https://www.fwc.gov.au/hearings-decisions/major-cases/modern-awards-review-2023-24/work-and-care-modern-awards-review-2023>

## Proposed amendments to Stage 3 tax cuts

The Federal Governments Stage 3 tax cuts are due to commence on 1 July 2024. The government has announced proposed amendments to the original tax cuts, as outlined below:

- reduce the 19 per cent tax rate to 16 per cent
- proceed with the legislated reduction in the 32.5 per cent rate to 30 per cent
- retain the 37 per cent tax rate (which would otherwise be removed under Stage 3)
- increase the threshold for the 37 per cent tax rate from \$120,000 to \$135,000

- increase the threshold for the 45 per cent tax rate from \$180,000 to \$190,000.

Note that these have not yet been legislated. We will continue to update our members as these changes progress through parliament.

You can find further information here - <https://treasury.gov.au/sites/default/files/2024-01/tax-cuts-treasury-advice.pdf>

## Casual employees in the black coal mining industry

The new provisions of the Fair Work Act aim to ensure that all workers, including casual workers, receive the right payment for their long service if they work in the coal mining industry.

Now, when the workers are paid for their long service leave, they'll also receive the extra pay they earned as casual workers.

There is also a new way for casual workers to earn long service leave. It's a system where they can save up their long service leave over time.

- The definition of 'working hours' for the purposes of calculating an employee's qualifying service for accrual of long service leave is different for casual and permanent employees. There is a weekly cap of 35 hours for the purposes of long service leave accrual applied to all employees within the Scheme, which will remain in place. Previously, however, that calculation resulted in circumstances where full-time and casual employees could work, for example, the same number of hours in a fortnight, yet due to rostering patterns a casual employee could accrue fewer entitlements than their permanent counterparts.
- The amendments change the method of accrual of a casual employee's 'working hours' to the total of hours worked per week, averaged over the weeks in a quarter. This ensures a fairer calculation of casual employees' working hours where they may vary week-to-week (sometimes exceeding 35 hours).
- The amendments also expand the meaning of 'qualifying service' to deem that certain weeks where a casual employee does not work due to specific rostering arrangements are periods of qualifying service.
- Reporting periods for employers remain monthly, with a reconciliation process at the end of the quarter to be undertaken by Coal LSL.

## FAQ

### **Q. If an employee terminates and does not give notice, can I deduct the amount from the employees' wages?**

- A.** It will depend on the employee's award or agreement. Many Awards say that in certain circumstances an employer can deduct up to one week's wages from an employee's pay if they do not provide the minimum amount of notice. Where an award or agreement allows this, an employer can only deduct pay from an employee's wages under the award, not from other entitlements such as annual leave.

## Q. How Much Notice Should Employees Give Employers of Resignation?

- A. As per the National Employment Standards (NES) employees are not required to provide notice of their employment ending. Typically, a full-time or part-time employees' award, registered agreement, or employment contract will set out how much notice (if any) an employee has to give when they resign. But this depends on the contract, award or agreement terms and type of employment. If your employee is covered under an award or as per the NES the Fair Work Ombudsman has a calculator that you can access in our Members Portal under Calculators. <https://calculate.fairwork.gov.au/EndingEmployment>

## MEMBERS WEBINAR

Our February webinar will be held on Wednesday 28th February at 1pm (Sydney time) where we will be discussing **Public Holidays and entitlements in the lead up to Easter**