

MEMBERS UPDATE



**MARCH
2022**



In this month's members update we look at:

- The new Public Holiday for WA
- The removal of the \$450 per month threshold for SG has now been passed into law.
- Updated FBT position on car parking benefits
- Changes to SCHADS Award from July 2022
- Annualised Salary Compliance

Welcome to the March 2022 member's update

We are so excited about the Payroll conference that is just a few weeks away. We hope to see you there on the 25th of March, if not in person, then via our virtual platform.

The first update is the additional Public Holiday that WA will receive in for Easter Sunday. This will mean they are in line with other states who already receive this Public Holiday.

Also this month we will talk about the long awaited removal of the \$450 per month threshold for SG which has now been passed into law from July, and the amendments to the SCHADS award that will take effect from the 1st of July 2022. We will also look at the changes in regards to the parking FBT position that may affect many employers now.

To wrap it all together this month our compliance focus is on Annualised salary. It has been two years since some modern awards were amended to include an annualised salary clause. Let's get into this Month in Payroll.

Easter Sunday is now a public holiday in WA

Western Australia will now have 11 public holidays each year, bringing WA in line with most of the other States and Territories.

Easter Sunday is already observed as a public holiday in Victoria, New South Wales, Queensland and the Australian Capital Territory. Employees who are required to work on Easter Sunday will benefit from an increased penalty rate, rising from the ordinary Sunday rate to a public holiday penalty rate.

The provisions of the Industrial Relations Legislation Amendment Act 2021 establishing Easter Sunday as a public holiday have been proclaimed and employers and employees can now plan ahead for the first Easter Sunday public holiday on April 17, 2022.

Make sure you check your payroll system to make sure that this Public Holiday has now been included.

See all WA public holidays here: <https://www.commerce.wa.gov.au/labour-relations/public-holidays-western-australia>

Removing the \$450 per month threshold for super guarantee eligibility

From 1 July 2022, employers will be required to make super guarantee contributions to their eligible employee's super fund regardless of how much the employee is paid. Employees must still satisfy other super guarantee eligibility requirements.

The ATO will work with digital service providers to assist them in updating their payroll and accounting software to be ready for this change. However, employers will need to check their payroll and accounting systems have been updated for super payments made after 1 July 2022 to ensure they correctly calculate their employee's super guarantee entitlement.

The ATO will also update their advice and guidance, including online tools and calculators on 1 July 2022 to account for this change.

Check with your system provider that they are aware of the change.

To find out more [https://www.ato.gov.au/General/New-legislation/In-detail/Super/Removing-the-\\$450-per-month-threshold-for-superannuation-guarantee-eligibility/](https://www.ato.gov.au/General/New-legislation/In-detail/Super/Removing-the-$450-per-month-threshold-for-superannuation-guarantee-eligibility/)

Updated FBT position on car parking benefits

With the introduction of TR 2021/2 many more employers will be subject to FBT on the provision of car parking to employees from 1 April 2022.

Previously, shopping centre car parks and other similar facilities such as hospital car parks were generally not considered to be commercial parking stations for FBT purposes.

As such, TR 2021/2 takes the view that a 'commercial car parking facility' can include the following:

- Hospital
- Shopping centre
- Hotel
- University
- Airport

A car parking facility may qualify as a commercial parking station even if the facility has another purpose other than providing all-day parking (e.g. it may also have a purpose of providing short term parking).

Although this will not have an effect until 1 April 2022, employers who were not previously subject to FBT on car parking fringe benefits should get ready and obtain advice on the best method to use to calculate the taxable value of these fringe benefits.

Changes to Social, Community, Home Care and Disability Services Industry Award (SCHADS) from July 2022

There have been several changes to the SCHADS award effective from the first full pay period on or after 1 July 2022. Some of these changes include the following:

Minimum shift of 2 hours

From 1 July 2022, part time employees will be required to be paid the following minimum number of hours for each shift or period of work in a broken shift:

- social and community services employees (except when doing disability services work) – 3 hours
- all other employees – 2 hours.

The minimum engagement periods applying to casual home care employees will increase from 1 hour to 2 hours.

There is a transitional period from 1 February 2022 to 1 October 2022, to give employers and employees time to negotiate changes to shifts. This transition period applies to arrangements in place before 1 February 2022 only.

Broken shifts

The broken shift provisions have been altered to include a broken shift allowance payable for each shift work and the application of minimum engagement periods for each portion of a broken shift.

A broken shift is defined as a shift with one or more breaks (that aren't meal breaks) within a 12 hour period.

For example, if a worker is rostered from 8am to 11am, then 2:30pm to 6:30pm, that would be considered a broken shift.

Workers will now be paid an additional allowance of 1.7% of the standard rate per broken shift (where there is one unpaid break), or 2.25% of the standard rate where there are two unpaid breaks in shifts in a 12-hour period.

Client cancellations

The client cancellations clause is being extended to disability services and will no longer permit an employer to withhold payment for a cancelled shift. For example, if a client cancels a service rostered for a full or part time employee within 7 days, the employer must either find an equivalent shift for the worker or pay them the full rate. Alternatively, the employer may be able to provide make-up time instead.

Working outside of hours – Remote Work

A new clause is to be inserted applying to “remote response” work that requires employees to be paid for time spent working remotely outside their ordinary hours of duty, e.g., when on-call, taking phone calls, assisting with emergencies, implementing short-notice roster changes, etc. There will be a scale of minimum payments for employees performing remote work outside of their rostered hours and designated shifts. This scale ranges from 15mins of pay, to 275% of the minimum hourly rate in certain circumstances.

You can read the full details in the determination here: <https://www.fwc.gov.au/documents/sites/awardsmodernfouryr/pr737905.pdf>

Payroll Compliance

Check all annualised salary employees

Annualised Salaries for certain awards ‘listed below’ were brought in two years ago to focus on record-keeping, timesheets and wage reconciliation. This was to ensure an “annual salary employee” is always paid at or above award rates.

This month review your full time employees covered under the below awards. Are you being compliant? If you are unsure watch our Annualised Salary Webinar, located in our members resources area.

- MA000019: Banking, Finance and Insurance Award
- MA000091: Broadcasting and Recorded Entertainment Award
- MA000002: Clerks-Private Sector Award
- MA000023: Contract Call Centres Award
- MA000028: Horticulture Award
- MA000062: Hydrocarbon Industry (Upstream) Award
- MA000116: Legal Services Award
- MA000112: Local Government Industry Award
- MA000010: Manufacturing and Associated Industries and Occupations Award
- MA000011: Mining Industry Award
- MA000072: Oil Refining and Manufacturing Award
- MA000035: Pastoral Award
- MA000012: Pharmacy Industry Award
- MA000015: Rail Industry Award
- MA000107: Salt Industry Award
- MA000041: Telecommunications Services Award
- MA000113: Water Industry Award
- MA000044: Wool Storage, Sampling and Testing Award

FAQ

Q. When do I need to provide an employee's payslip if they have terminated?

A. As per Fairwork, pay slips have to be given to an employee within 1 working day of pay day, even if an employee is on leave or terminated. This can be done by emailing it to their personal email address or mailing it to their home address.

Just make sure that the employee checks and updates their details before they terminate.

Q. Do we accrue Superannuation and leave on Government Paid Parental leave?

A. You don't have to make superannuation contributions for Parental Leave Pay. But the Paid Parental Leave scheme doesn't prevent you from making voluntary superannuation contributions.

Paid leave also doesn't accumulate when an employee is getting the Australian Government Paid Parental Leave Scheme payments, if the person is taking unpaid leave from their employer at this time.

Ask The Experts – This Is Your Chance To Scratch Your Payroll Itch On Any Topic

APA will Hosts A Panel Of Payroll Experts at this years Payroll Conference on the **25th of March**

Delegates can pre-submit your questions to the panel covering payroll strategy, technical payroll topics, opinions on potential payroll reform, payroll processes or any other payroll related topic.

Please submit your questions via this [form link](#)

Members Webinar



Please join us for our March members webinar where we will be looking at **"All things Public Holidays"**.
Join us on **Tuesday 22th of March 2022 at 1pm.**

CLICK HERE TO REGISTER