

# MEMBERS UPDATE



**AUGUST  
2022**



In this month's members update we look at:

- Pandemic Leave
- Paid Family and Domestic violence leave bill introduced
- Common STP Phase 2 reporting questions and mistakes from the ATO
- Fairwork Priorities For 2022 - 2023 New Financial Year

## Welcome to the August 2022 member's update

On Friday the 22nd of July it was National Payroll Day. We hope that you all celebrated in one way or another and were recognised for the amazing work that goes on in payroll.

This month we have updated our payroll calculations that can be found on the Members page of our website. These includes the Redundancy and Marginal tax calculator. We also look at some queries that have been reoccurring over the last few weeks.

Finally, we have introduced a monthly webinar for new members, which is also available for those who want a refresher on the benefits of their membership or who have new payroll members in their team.

## Pandemic Leave

Employees covered by some awards can access 2 weeks' unpaid pandemic leave from 15 July 2022 until 31 December 2022. This follows a recent Fair Work Commission decision to add the entitlement back into these awards.

### Unpaid pandemic leave

Eligible employees can access up to 2 weeks' unpaid pandemic leave (or more by agreement with their employer) if they can't work because:

- they're required to self-isolate by government or medical authorities, or on the advice of a medical practitioner, or
- of measures taken by government or medical authorities in response to the pandemic (for example, an enforceable government direction restricting non-essential businesses).

The leave is available in full immediately to full-time, part-time and casual employees – employees don't have to accrue it.

### Affected awards

The awards with unpaid pandemic leave entitlements available are the:

- Aboriginal and Torres Strait Islander Health Services Award
- Aged Care Award
- Ambulance and Patient Transport Award
- Health Professionals and Support Services Award
- Social, Community, Home Care and Disability Services Award
- Supported Employment Services Award.

## Family and Domestic violence leave bill introduced

The Family and Domestic violence leave bill has been introduced a bill to create a 'universal' entitlement of 10 days paid family and domestic violence leave (FDVL) into the National Employment Standards (NES).

The proposed entitlement will replace the current NES entitlement of five days unpaid FDVL and is available where an employee needs time off work to do something to deal with the impact of family and domestic

violence in circumstances where they cannot attend to matters outside of work hours.

The bill would give rise to a new form of paid leave under the NES which:

- is accessible by all employees including casuals who have been 'rostered' (eg have accepted an offer to work)
- is available 'upfront' meaning the leave does not accrue and is available in full (ie 10 days of pay) at the commencement of every year
- is payable at the rate that the employee would have earned had they worked instead of taking the leave (instead of being payable at base rates).

If passed, the scheme will commence from February 2023 for most employees, although small businesses will have an extra six months to adjust to the change. You can read the Bill here [https://www.aph.gov.au/Parliamentary\\_Business/Bills\\_Legislation/Bills\\_Search\\_Results/Result?bld=r6882](https://www.aph.gov.au/Parliamentary_Business/Bills_Legislation/Bills_Search_Results/Result?bld=r6882)

## Common STP Phase 2 reporting questions and mistakes

The ATO have released some common questions and mistakes that other employers have faced with STP Phase 2. This is aimed at helping other employers to report accurately through Single Touch Payroll (STP) Phase 2.

Accurate STP reporting has always been important to ensure:

- your employees have the right information displayed in their income statement
- we can pre-fill your employees' individual income tax returns with the right information
- other government agencies have the right information when interacting with you or your employees.

Your employees' income could be treated incorrectly for tax, super or social security purposes if your STP reporting is incomplete or inaccurate.

[https://www.ato.gov.au/Business/Single-Touch-Payroll/Expanding-Single-Touch-Payroll-\(Phase-2\)/Common-STP-Phase-2-reporting-questions-and-mistakes/](https://www.ato.gov.au/Business/Single-Touch-Payroll/Expanding-Single-Touch-Payroll-(Phase-2)/Common-STP-Phase-2-reporting-questions-and-mistakes/)

## Fair Work Priorities For 2022 - 2023 New Financial Year

Key Priority: As many workplaces are slowly recovering from the harsh impacts of COVID-19, with the pandemic causing severe disruption to all areas of business, the Fair Work Ombudsman has announced they will continue to support workplaces through the pandemic and recovery phase, particularly the industries which have been hit the hardest.

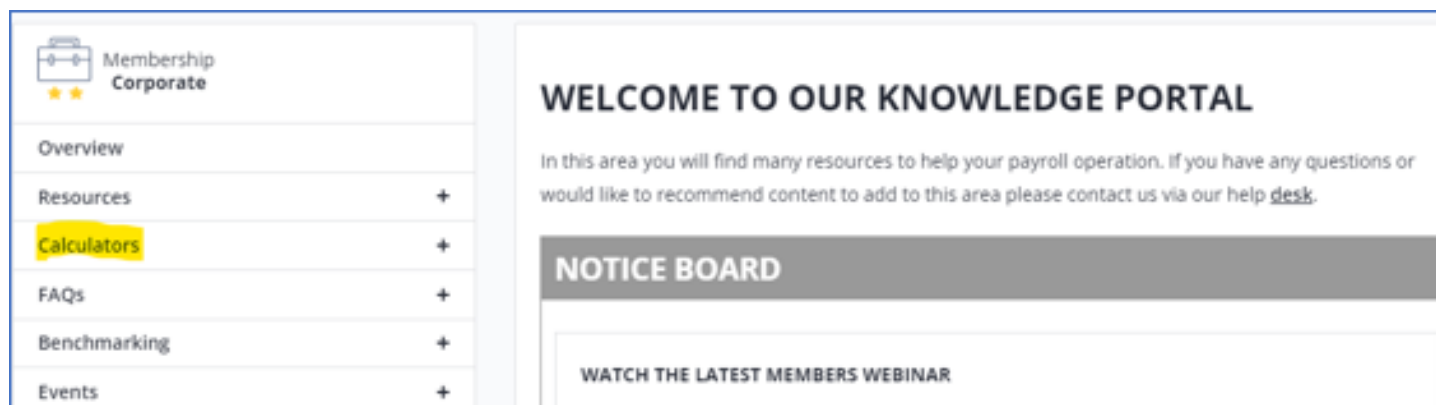
However, their focus on compliance also remains strong.

Priority Issues and Sectors

- Fast Food, Cafes and Restaurants;
- Agriculture;
- Sham contracting;
- Large corporate and University sectors; and
- Contract cleaning.

## Members Area - Calculator update

In our members area we have updated our calculators for the new financial year. This includes the Redundancy calculator, Salary packaging worksheet, and marginal tax calculation for unused leave on termination.



## FAQ

### Q. Can An Employee Take Annual Leave During A Notice Period?

A. Yes, if the employer agrees to the annual leave.

### Q. Can Annual Leave Be Cashed Out?

A. Some awards and registered agreements allow annual leave to be cashed out and provide conditions under which the leave can be cashed out. Most awards or agreements require:

- Written agreement between the employer and employee that is signed by both parties;
- The employee to be paid as much as if they had taken the annual leave;
- Capping the amount of leave that is able to be cashed out to a maximum of two weeks of annual leave in any 12 month period. (This may differ depending on an employee's award/agreement).
- The employee must also have 4 weeks annual leave remaining after the cash out has occurred.

The agreement must also usually specify the amount of leave to be cashed out, the payment to be made for it as well as the date of payment, and must be signed by a parent or guardian in relation to any employees under 18 years of age. A copy of the agreement should be retained as an employee record.

### Q. Does unpaid leave count towards hours for the purpose of overtime calculations?

A. We have had a few questions about employees who have taken unpaid leave, and whether the unpaid leave counts towards the total hours in a week for the purposes of calculating overtime.

For example, if an employee who normally works Monday to Friday 38 hours per week, and takes one day of unpaid leave, and then they also work additional hours on Saturday, are the Saturday hours required to be paid at overtime rates?

As per Fair work Act 2009 section 62.4;

*62 (4) For the purposes of subsection (1), the hours an employee works in a week are taken to include any hours of leave, or absence, whether paid or unpaid, that the employee takes in the week and that are authorised:*

*(a) by the employee's employer; or*

*(b) by or under a term or condition of the employee's employment; or*

*(c) by or under a law of the Commonwealth, a State or a Territory, or an instrument in force under such a law.*

*So, for the example above, the employee would be entitled to overtime payment for the Saturday worked, because the day of unpaid leave would still count towards their ordinary 38 hours in the week.*

## Members Webinar



Please join us for our members webinar where we will be looking at **“Understanding Employment Termination Payments and Genuine Redundancy Payments”**.

Join us on **Tuesday 23rd August 2022 at 1pm (Sydney time)**.

**CLICK HERE TO REGISTER**

## **NEW MEMBERS WEBINAR**

Each month we welcome new members with our new members webinar. Join our Membership Manager, Aphrodite Kant, as she showcases how to get the most out of your membership. From utilising the members portal and submitting a help desk query, through to accessing your membership benefits and discounts, Aphrodite will help you and your team members make the most of your membership.

To join the webinar, or to send your new team members along, contact Aphrodite at [aphrodite@austpayroll.com.au](mailto:aphrodite@austpayroll.com.au)