

IR POLICY AND GOVERNANCE UPDATE



INTRODUCTION

This week we provide a reminder of the upcoming increase to the superannuation guarantee contribution rate, family and domestic violence leave amendments, the upcoming national minimum wage case decision, failure to provide payslips results in a fine and more.

SUPERANNUATION GUARANTEE CONTRIBUTION RATE TO INCREASE 1 JULY 2022

Members are reminded that from 1 July 2022 the superannuation contribution rate will rise from 10% to 10.5%. Additionally, from that date, and as previously advised to members, further to the 2021–22 federal Budget, the Australian Government announced it will remove the \$450 per month threshold to expand coverage of super guarantee to eligible workers regardless of their monthly pay. This will require employers to make 10.5% superannuation contributions for workers earning less than \$450 in pre-tax income per month. However, if a worker is under the age of 18, and unless they are covered by a workplace agreement that states otherwise, those workers will need to work more than 30 hours in a week before they become eligible for superannuation payments.

Members 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 worker's super guarantee entitlement.

FAMILY AND DOMESTIC VIOLENCE LEAVE

Since 2019 the Fair Work Act, particularly the National Employment Standards, national system employees are entitled to five (5) days' unpaid leave where they need to do something to deal with the impact of the family and domestic violence and it is impractical for the employee to do that thing outside their ordinary hours of work.

As part of its review of modern Awards, the Fair Work Commission has this week determined a provisional view that there should be an Award based entitlement to 10 days paid family and domestic violence leave. How this will work is yet to be determined and will be finalised in mid-June. Prior to implementing any related entitlements into Awards, the Fair Work Commission is seeking the Federal Government's view regarding any potential amendment of the National Employment Standards on this issue, should it choose to do so.

At this time the Morrison Government has currently declined to endorse the Commissions provisional view Minister for Industrial Relations and Attorney-General Michaelia Cash said she welcomed the Fair Work Commission's interim decision, however will seek to undertake further consultation before considering making legislative amendments.

UPCOMING NATIONAL MINIMUM WAGE DECISION

Just a reminder to members that the Fair Work Commission will deliver its annual national minimum wage decision in or about mid-June. That decision will then flowthrough into the modern Awards minimum wage rates. As usual we will provide members with a review of that decision along with wage rate updates for relevant industry Awards when those decisions are delivered in the coming weeks.

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WORKERS COMPENSATION CLAIMS

No employer relishes the thought of managing a worker's compensation claim. They can be time consuming and dealing with state regulatory agencies and insurers can be confusing, even when the claim is genuine. Employers are generally required to participate in the development of injury management plans, provide suitable work where practicable, and generally assist the employee to return to work to their pre-injury duties where possible.

Conversely, workers making claims relating to injuries allegedly suffered in the workplace need to act in good faith in respect of their injuries. Workers need to co-operate with the insurer, rehabilitation provider, and their employer with the aim of achieving a full return to work where medically appropriate.

All that being said, an employer is entitled to provide the workers compensation insurer with evidence that may affect the employee's claim. This includes an employee's social media posts, or other person such as work colleagues, that are publicly obtained and that evidence potential inconsistencies between the workers compensation claim and an employee's actual behaviour on any social media or other platform.

.AU DOMAIN NAMES

Further to previous member advisories, the six-month (March 2022 – September 2022) priority allocation period for securing a '.au' domain name is almost at the half way point. This is the first time that Australians will be able to register a domain name directly followed only by ".au". The .au direct namespace will complement the existing suite of Australian namespaces such as com.au, edu.au, gov.au and org.au, and does not replace them.

If members have not done so already, we recommend contacting your domain name registry service to register the interest. Further information on priority status and the overall process can be found at the following link: <https://www.auda.org.au/au-domain-names/au-direct/priority-allocation-process>.

PAYSLIPS ARE NOT AN OPTION

A decision of the Federal Circuit Court this week is a reminder that providing payslips to employees is not an option. Based on an investigation and prosecution by the Fair Work Ombudsman, a convenience store was penalised over \$16K by the Court for its failure to provide payslips to its employees with regular payslips on various occasions.

Effectively, the company and a director had contravened relevant legislative requirement. The Fair Work Act, at section 536(1) is clear on employer's obligations in relation to pay slips:

"An employer must give a pay slip to each of its employees within one working day of paying an amount to the employee in relation to the performance of work."

Pay slips have to be given to an employee within 1 working day of pay day, even if an employee is on leave. Pay slips have to be in either electronic form or hard copy. Electronic pay slips must have the

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same information as paper payslips. Given the convenience and inexpensive nature of online accounting, record keeping and payroll software systems, and in the absence of error, that cases of this nature still occur is concerning.

CONTACT

Any Industrial Relations Member who has a related query should contact Charles Watson, GM – IR, Policy and Governance at The Real Media Collective via email charles@thermc.com.au or mobile:+61 428 568 032.

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