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Part 6 : Employing People in Australia (Part 4: Employment Records)

In regards to the employment people in Australia, it is also important to keep the employment records to comply with the legal requirements.

Here we briefly explain about the record-keeping and pay slips.

For more information on employment records, see [fairwork.gov.au](http://www.fairwork.gov.au):

<http://www.fairwork.gov.au/about-us/policies-and-guides/fact-sheets/rights-and-obligations/record-keeping-pay-slips>



1. Record-keeping

1) General records

A range of information must be made and kept for each employee as prescribed by the Fair Work Act 2009 and Fair Work Regulations 2009.

General employment records must include all of the following:

- the employer's name
- the employer's Australian Business Number (ABN) (if any)
- the employee's name
- the employee's commencement date
- the basis of the employee's employment (full or part-time and permanent, temporary or casual).

2) Pay records

Records of pay must include all of the following:

- the rate of pay paid to the employee
- the gross and net amounts paid and any deductions from the gross amount
- the details of any incentive-based payment, bonus, loading, penalty rate, or other monetary allowance or separately identifiable entitlement paid.

3) Hours of work records

Records relating to hours worked by employees are to include the following:

- In the case of a casual or irregular part-time employee who is guaranteed a pay rate set by reference to time worked, a record of the hours worked by that employee
- For any other type of employee, the record must specify the number of overtime hours worked each day, or when the employee started and finished working overtime hours (but only if a penalty rate or loading must be paid for overtime hours actually worked)
- A copy of the written agreement if the employer and employee have agreed to an averaging of the employee's work hours.

4) Leave records

If an employee is entitled to leave, the record must include both:

- leave taken, if any
- the balance of the employee's entitlement to that leave from time to time.

If an employer and employee have agreed to cash out an accrued amount of leave, the employer must keep both:

- a copy of the agreement to cash out the amount of leave
- a record of the rate of payment for the amount of leave cashed out and when the payment was made.

5) Superannuation contributions records

If the employer is required to make superannuation contributions for the benefit of the employee, the record must include all of the following:

- the amount of the contributions made
- the dates on which each contribution was made
- the period over which the contributions were made
- the name of any fund to which a contribution was made

- the basis on which the employer became liable to make the contribution, including a record of any election made by the employee (including the date) to have their superannuation contributions paid into a particular fund.

6) Individual flexibility arrangement records

If an employer and employee agree in writing to an individual flexibility arrangement in relation to a modern award or enterprise agreement, a record must include both:

- a copy of the agreement
- a copy of any notice or agreement terminating the flexibility arrangement.

7) Guarantee of annual earnings records

If an employer gives a guarantee of annual earnings under the Fair Work Act 2009, the employer must make and keep a record of:

- the guarantee
- the date of any revocation of the guarantee (where applicable).

8) Termination records

Where the employment has been terminated, the records must include both:

- whether the employment was terminated by consent, by notice, summarily, or in some other manner (specifying that manner)
- the name of the person who terminated the employment.

9) Transfer of Business records

Where there has been a transfer of business under the Fair Work Act 2009, at the time of transfer, the old employer is required to transfer to the new employer each employee record concerning a transferring employee.

If the transferring employee becomes an employee of the new employer after the transfer, the new employer must ask the old employer to provide them with the employee's records. The old employer must give the records to the new employer.

For further information regarding transfer of business, please see at <http://www.fairwork.gov.au/about-us/policies-and-guides/factsheets/rights-and-obligations/when-businesses-change-hands>

2. Pay slips

1) What are the pay slip obligations?

Pay slips must be issued to each employee:

- within one working day of pay day, even if an employee is on leave
- in electronic form or hard copy.

It is best practice for pay slips to be written in plain and simple English. Pay slips must contain details of the payments, deductions, and superannuation contributions for each pay period.

2) What information must be included on the pay slip?

The following information must be included on all pay slips issued to each employee as prescribed by the Fair Work Act 2009 and the Fair Work Regulations 2009.

- The employer's name
- The employer's ABN (if any)
- The employee's name
- The date of payment
- The pay period
- The gross and net amount of payment
- Any loadings, monetary allowances, bonuses, incentive-based payments, penalty rates, or other separately identifiable entitlement paid.

Additionally, where relevant, a pay slip must include any of the following:

- If the employee is paid an hourly pay rate, the ordinary hourly pay rate and the number of hours worked at that rate and the amount of payment made at that rate
- If the employee is paid an annual rate of pay (salary), the rate as at the last day in the pay period
- Any deductions made, including the name, or the name and number, of the fund or the account of each deduction

- If the employer is required to make superannuation contributions for the benefit of the employee:
 - the amount of each contribution the employer made or is liable to make during the pay period
 - the name, or name and number, of any superannuation fund into which the contributions were made or will be made.

3) Electronic pay slips

Electronic pay slips must be provided to an employee (unless issued a hard copy) and include the same information as hard copy pay slips.

Employers should:

- give electronic pay slips to each worker, such as via email or into an electronic personal account (employers should not simply store them on a database)
- issue electronic pay slips in an easily printable format.

By way of best practice, employers should:

- issue electronic pay slips to employees securely and confidentially
- ensure that employees can access and print their electronic pay slips in private (e.g. it would be inappropriate to issue an electronic pay slip to an employee who doesn't have access to a computer terminal to privately read and print their pay slip).

You can download the pay slip template at <http://www.fairwork.gov.au/about-us/policies-and-guides/fact-sheets/rights-and-obligations/record-keeping-pay-slips>

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