



# **BE A BOSS: MODULE 4**

## All about employees

**The learning outcomes of this module are:**

- 4.1 Better understand what Industrial Relations means and how it applies to you and your employees**
- 4.2 Better understand your obligations when it comes to your employees' income Tax liability**
- 4.3 Better understand your Superannuation obligations**
- 4.4 Better understand Workers' Compensation insurance**
- 4.5 Identify key documents you may need**



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**Don't forget!**  
Make sure you save your work by downloading and saving this PDF to your own computer before you write in it.

## Activity 1: Beginning Reflection

1. There are 5 legal areas that employers in Australia need to understand. However, there are some areas where you need to look to your state laws to know what to do, and others where you need to look to national laws.

<b>Legal area</b>	<b>State or National laws?</b>
Taxation	
Superannuation	
Industrial Relations	
Workplace Health and Safety	
Workers' Compensation	

2. As you can see, there is A LOT of legal stuff to consider! What are some of the organisations (not including governing bodies such as WorkCover, etc) that can support and point you in the right direction if you need help? The answer is at the end of this workbook.

- a) Supportive peer networks and organisations
- b) WAiS resources and support
- c) Both a. and b.

# Activity 2: Industrial Relations

## Part A: Industrial Relations in WA

**Introduction (1 of 2):** What is Industrial Relations (IR)?

**Introduction (2 of 2):** What does IR include? Tick all that apply – the answer is at the end of this workbook.

Deciding what type of employees you have (full-time, part-time or casual)

What their hours of work can be

What to pay them

What entitlements they have

Below is a short questionnaire about IR in WA:

**Questions:**

1. To work out which IR laws apply to you, are you part of a Constitutional Corporation, or a private individual?

2. If you are a private individual, you follow the **WA state Industrial Relations system**. Tick two of the industrial relations laws (other than the Long Service Leave Act 1958, not included below) that apply to Western Australians:

Industrial Relations Act 1979 (WA)

Minimum Conditions of Employment Act 1993 (WA)

Disability Services Act 1993 (WA)

Administration Act 1903 (WA)

3. What is included in the **Industrial Relations Act** and the **Minimum Conditions of Employment Act**? Tick all that apply:

Reasonable hours of work

Minimum rates of pay

Minimum leave conditions

How the employment relationship can change or end

## Part B: Does the exclusion apply to you?

Not every working relationship is governed by the Industrial Relations Act and Minimum Conditions of Employment Act. For these laws to **not** apply to you and your worker, your worker would need to come under what is called an 'exclusion'. This exclusion applies if your worker:

1. Provides a domestic service
2. In a private home, and
3. Is employed directly by the homeowner or occupier

Take time now to consider whether the exclusion applies to your worker. Please note, this may differ from worker to worker if they have different roles and responsibilities.

Does this exclusion apply to your worker/s?

Who can you contact if you need more help with this question? *For example: your legal adviser, people in your Circle of Support, DMIRS or Labour Relations.*

# Activity 3: Case Study

Please read the following case study. What type of employee do you think Harry is, and why? The answer is at the beginning of Video 4.

If you need help to learn the differences between full-time, part-time and casual employees, these are covered in Activity 4.

**Case Study:** About 4 years ago, Harry and Susan agreed that Harry would be Susan's support worker.

Susan calls Harry to do some work when she needs him to help her cook. This is usually for friends on the weekends. Harry has a way with sauces, and any dinner he has helped with has been a big success. If Susan is planning an elaborate dinner party, she will usually ask Harry to help her for the entire day – but he may not work for all that time. If the dinner party is a simple one, she will ask him to work for 2-3 hours at most. Harry finishes his shift when the work is done.

A few times when Susan has called Harry to work for her, he has been busy with his other job as a sports writer and couldn't help out. When Harry is busy, Susan asks her sister to help her with the cooking instead.

Is Harry a casual employee, or part-time employee? Why?

# Activity 4: Your workers

## Introduction: Questions 1a - 8a

1. What is an Award?

2. What legal things should I consider when hiring workers?

1.

2.

3.

4.

3. Your employees don't all need to have the same employment type - this will depend on your individual arrangement with them. You need to be sure what type of employee you have. Answer the below questions to learn the differences between full-time, part-time and casual employees:

a) Tick the features of a full-time and part-time worker

Receives casual loading **OR** doesn't receive casual loading

Irregular hours **OR** regular, ongoing work

Entitled to all paid leave types **OR** entitled to limited types of paid leave (like long service leave)

b) Tick the features of a casual worker (as above)

Receives casual loading **OR** doesn't receive casual loading

Irregular hours **OR** regular, ongoing work

Entitled to all paid leave types **OR** entitled to limited types of paid leave (like long service leave)



4. What is the difference between 'fixed-term' and 'permanent' employees?

5. Do 'fixed-term' and 'permanent' employees generally have the same conditions and entitlements? (Tick one)

Yes / No

**Questions:**

What type of workers do you have? Are they full-time, part-time, or casual? If you have more than one worker, they may not necessarily have the same employee status.

Worker 1 (Name: _____):
Worker 2 (Name: _____):
Worker 3 (Name: _____):
Worker 4 (Name: _____):
Attach a separate sheet for additional workers.

If they are full-time or part-time, are they permanent or fixed-term?

Worker 1 (Name: _____):
Worker 2 (Name: _____):
Worker 3 (Name: _____):
Worker 4 (Name: _____):
Attach a separate sheet for additional workers.

What are their paid or unpaid leave entitlements? E.g. annual leave, sick leave

Worker 1 (Name: ):

Worker 2 (Name: ):

Worker 3 (Name: ):

Worker 4 (Name: ):

Attach a separate sheet for additional workers.

You can now go to the table in **Activity 6** on **Page 15**, and record your answers from above in **columns 1, 2, 3, 4 and 5**.

If you don't have workers, what do you think would work best for you – having full-time, part-time or casual workers? Why?

# Activity 5: Pay Rates and Payslips

## Part A - Working out pay rates

The steps below are designed to help you work out how much you will pay your workers, and what paperwork you need to do this.

### Step One

Please choose

I need to follow an Award. Which Award? This will tell you the relevant pay rates.

<b>Award</b>	
<b>Pay rate (\$)</b>	

If you follow an Award, skip Step 2 and move onto Step 3.

I am Award free

If you are Award free, look at the [minimum wage rates](#) that apply in Western Australia then move onto Step 2.

### Step Two

Think about:

1. Minimum wage based on your worker's age to know what you have to pay above (remember to look at applicable loadings for casual workers)
2. Experience of the worker
3. The worker's skills
4. The worker's job role and responsibilities
5. Your budget

Once you have completed Steps 1 and 2, you can decide on your workers' pay rates. Note these here:

Worker 1 (Name: ):

Worker 2 (Name: ):

Worker 3 (Name: ):

Worker 4 (Name: ):

Attach a separate sheet for additional workers.

### Step Three

How often are you going to pay your employees? (We suggest paying all your employees at the same time.)

Daily – remember, you can only do this for casual employees

Weekly

Fortnightly

Monthly

### Step Four

Do your workers have paid leave entitlements such as annual or sick leave? If so, you will need to calculate how much has built up ('accrued') for each leave type at the end of each pay period.

Go to the table in **Activity 6** on **Page 15**, and record your answers from above into **columns 6, 7 and 8**.

## Part B - All about payslips

Tick which applies to you:

You follow an Award and therefore need to provide payslips

You are Award free and therefore you won't provide payslips

You are Award free but choose to provide payslips

What forms do you want to set up? Remember there is a range of templates you can choose from.

We invite you to take time now to write a list of any forms you need. Once you have completed this list, print out and organise all forms on this list.

## Part C - Do you need any help?

Are there any areas where you need advice and assistance? Tick the areas you need help with, then think about who you can ask.

Check over my pay rate decision with me. Who can help?

Make sure I have noted all leave entitlements. Who can help?

Help me set up my records. Who can help?

Help me to pay people, and to keep track of payment details. Who can help?

Will you use your funding for any of the above? If so, which parts will you use your funding for? **For example: getting your forms organised, using a bookkeeper, getting advice from an accountant or purchasing software.** Remember this is all part of self-management skill building and capacity building.

# Activity 6: Bringing it all together

You can use the table below to work out each of your employees' pay details. Insert your answers from Activities 4 and 5 into the columns provided.

Column 1	Column 2	Column 3	Column 4	Column 5	Column 6	Column 7	Column 8
Employee name	Full-time or part-time or casual?	If full-time or part-time, are they permanent or fixed term?	Do they have paid leave entitlements like annual or sick leave?  If so, which leave entitlements?	What unpaid leave entitlements do they have?	What is the employee's pay rate?	How often will I pay them? (We recommend paying all employees at the same time.)	How often do I need to calculate their leave entitlements? (This will be the same as the pay period.)

# Activity 7: Taxation

The steps below are designed to help you do everything you need to meet your taxation obligations.

There are videos in this module that show you how to complete different taxation forms. Links to these forms are included at the end of this workbook.

## **Step One - Register for PAYG withholding with the Australian Tax Office (ATO)**

To register for PAYG withholding, you will need to complete a form. The form you need to complete will depend on whether you have an ABN. Select one from the following options:

I need to fill out Form NAT 3377 and get a Withholding Payer Number (WPN). (Tick this option if you do not have an ABN)

I need to fill out Form NAT 14834 and get a PAYG Withholding Branch of an ABN (Tick this option if you do have an ABN)

Please note: You can look at the video in this module which shows someone filling out this form.

I have now received a WPN or opened a PAYG Withholding Branch of my ABN. The number is

## **Step Two – Worker/s complete a Tax File Number Declaration form NAT 3092**

Although your worker/s will complete most of this form, there are steps you need to take as well. Check these off as you complete each task:

I need to watch the video in this module showing me how to complete it

My employee has completed and signed it

I have completed and signed it

I have put a copy in their employee file, which is in a secure place

I have sent a copy to the ATO within 14 days of my worker completing it



### **Step Three - Withhold tax according to the tax table**

To complete this section, first select your pay cycle:

Daily (only possible for casual employees)

Weekly

Fortnightly

Monthly

Then, to make sure you're correctly withholding tax, check these off as you complete each task:

I have got the relevant Tax Table (daily, weekly, fortnightly or monthly) or Tax Calculator

I have checked relevant information from the Tax File Number Declaration (e.g. Tax Free Threshold)

I know how much tax I am withholding

I want to check this and ask for some help. Who can I ask?

### **Step Four - Report and Pay these amounts to the ATO**

To complete this step, you will need to fill out an Activity Statement. Tick the tasks below as you finish each one:

I need to watch the video in this module which shows how to fill out the Activity Statement

The ATO has told me I need to transfer tax and complete Activity Statements:

Monthly

Quarterly

I have filled out the Activity Statement the ATO sent me

I know the dates for the end of each quarter/month when the Activity Statements should be sent out so I can check in case I don't receive them

I have paid the withheld tax

## Step Five - Report annually to the ATO

When reporting to the ATO, remember that a financial year runs from July 1 – June 30. Tick the tasks below as you finish each one.

I have:

Noted when the PAYG Payment Summaries should be received from the ATO (so I can check if I haven't received them yet)

Noted in my diary/calendar that this needs to be sent to the ATO by 14 August

Completed a PAYG Payment Summary for each employee

Filed a copy for myself

Given a copy to each employee

Sent a copy to the ATO

Completed a PAYG Payment Summary Statement

Sent it to the ATO

I need to:

Ask for help with some things (list what you want help with and from whom)

Watch the video in this module which shows how to fill out the PAYG Payment Summary and Summary Statement

# Activity 8: Superannuation

1. What is superannuation (or 'super')?

2. How much per month does your worker need to be earning before you need to pay super?

3. Generally, when your worker meets the threshold of earning more than \$450 per calendar month (before tax), you will be responsible for paying superannuation.

There is a different threshold if the work is “domestic or private in nature”. The definition of “domestic and private” work for superannuation purposes is work done:

- For the person paying for that work, or
- Relating to your home, household affairs or family

In this case, the threshold is \$450 a calendar month (before tax) AND 30 hours or more worked per week.

4. Is your worker doing work that is “domestic or private in nature”?

Yes / No

Please go to ATO webpage [Working out if you have to pay super](#) to check.

The steps in the next pages are designed to help you do everything you need to meet your superannuation obligations.

## Step One - Set Up superannuation

Tick which applies to you:

My employee has provided details of their super fund

I will pay their super into a fund nominated by me

## Step Two - Work out how much superannuation to pay

1. Go through the [Ordinary Time Earning \(OTE\) Checklist](#)
2. Write down the Ordinary Time Earnings for each employee for that pay period
3. Calculate how much to pay using the ATO's Super Calculator for that pay period (9.5% of your employee's OTE)

## Step Three - Pay the superannuation

This step is a two-part process that will help you to record information and make payments:

1. Record the dates in my calendar that I need to transfer super:

Quarter 1	1 July – 30 September	Due 28 October
Quarter 2	1 October – 31 December	Due 28 January
Quarter 3	1 January – 31 March	Due 28 April
Quarter 4	1 April – 30 June	Due 28 July

2. Pay the superannuation

I will:

consider using the Small Business Superannuation Clearing House

ask for help about superannuation. Who will I ask?

## Activity 9: Workers' Compensation (WA only)

8. What is Workers' Compensation?

9. Who should you consult if your worker gets injured or sick at work?

10. Whose job is it to figure out how much Workers' Compensation you have to pay?

a) The insurer

b) Yours

11. Who is your first point of contact if you need to make a claim?

12. Generally, if you only have a domestic cleaner, do you still need Workers' Compensation?  
(Tick one)

Yes / No

## **Workers' Compensation information:**

The category of Workers' Compensation available to private employers is called "Private households employing staff".

The relevant insurance Codes (changed from July 2018) are:

Code 96010 for regular workers; or

Code 96011 for occasional workers (not regular workers)

## **Questions:**

Do you need to do anything in relation to workers' compensation? Record it here:

Do you want to do anything about other types of insurance? Record it here:

Do you need assistance with organising workers' compensation? Who can you ask?

# Activity 10:

## Contract of employment and records

13. A 'contract of employment' is an important part of employing your own workers. If you would like to give your employee a written contract, what do you need to include?

- 1.
- 2.
- 3.
- 4.
- 5.

14. What is a 'probationary period', and why might it be useful?

15. What paperwork do you need to give your new worker once you've hired them?

- 1.
- 2.
- 3.
- 4.

Templates for these forms can be found on the [Wageline](#) website.

The steps below can help you work through creating:

- a contract of employment, and
- an employee pack with other essential forms and information

Tick the boxes as you have complete each step:

I choose to have written employment contracts

I have downloaded the relevant sample contracts in this module

I have altered the sample contracts and created my own contract of employment

I have set up the files I need for each employee

I am choosing to create an employee pack containing:

Contract of employment

Tax File Number Declaration

Employee information form

Superannuation choice form

I need to ask for help with this (list what help and who you will ask. **For example: I will ask my brother for help to set up files in my home**)



# Activity 11: End Reflection

What has stood out for you in this module?

Do you better understand:

What Industrial Relations means and how it might apply to you and your employees?

Your obligations when it comes to your employees' tax liability?



Your superannuation obligations?

Your Workers' Compensation insurance requirements?

Do you know the key documents you may need?

Are there further actions you want to record here?

Do you need help with these actions? If so, who can you ask?

# Appendix 1: Helpful links

## Legislation:

1. [The Industrial Relations Act](#)
2. [The Minimum Conditions of Employment Act](#)
3. [The Minimum Conditions of Employment Guide for Employers](#)
4. [Long Service Leave Act 1958 \(Western Australian Legislation\)](#)

## Award:

Contact Wageline for any questions on 1300 655 266 or [wageline@dmirs.wa.gov.au](mailto:wageline@dmirs.wa.gov.au)

## Award free:

Check the [minimum wage in WA](#)

## NDIS:

1. [Learning the Skills of NDIS Self-Management](#)
2. [NDIS guide to Self Management](#)

## Templates:

1. [Western Australian record keeping templates](#). These six templates help small business employers meet their legal obligations for time and record keeping and keep accurate employee leave records.
2. [What to include](#) in contracts of employment (WA)

## **Taxation:**

1. [Register for PAYG withholding WPN](#)
2. [Register for PAYG with ABN Branch](#)
3. [ATO tax calculator](#)
4. [ATO tax tables](#)
5. [Tax File Number declaration form \(TFN\)](#)
6. [Annual payment summary \(formerly known as Group Certificate\)](#)
7. [How to lodge your annual payment summary to the ATO](#)
8. [ATO PAYG payment summary statement](#)
9. [Completing your ATO Activity Statement](#)

## **Superannuation:**

1. [Superannuation \(super\) standard choice form](#)
2. [Superannuation calculator](#)
3. [Small Business Superannuation Clearing House](#)

## **Workcover:**

1. [Workcover WA: Understanding your rights and obligations](#)
2. [Educational videos](#) from Workcover WA

# Appendix 2: Answers to the quiz

## Activity 1: Beginning Reflection

2. As you can see, there is A LOT of legal stuff to consider! What are some of the organisations (not including governing bodies such as WorkCover, etc) that can support and point you in the right direction if you need help? The answer is at the end of this workbook.

**ANSWER: c. Both a and b**

## Activity 2: Industrial Relations

### Part A: Industrial Relations in WA

**Introduction (2 of 2):** What does IR include? Tick all that apply – the answer is at the end of this workbook.

**ANSWERS: Deciding what type of employees you have (full-time, part-time or casual), What their hours of work can be, What to pay them, & What entitlements they have**

2. If you are a private individual, you follow the **WA state Industrial Relations system**. Tick two of the industrial relations laws (other than the Long Service Leave Act 1958, not included below) that apply to Western Australians:

**ANSWERS: Industrial Relations Act 1979 (WA) & Minimum Conditions of Employment Act 1993 (WA)**

3. What is included in the **Industrial Relations Act** and the **Minimum Conditions of Employment Act**? Tick all that apply:

**ANSWERS: Reasonable hours of work, Minimum rates of pay, Minimum leave conditions & How the employment relationship can change or end**