



UNDERSTANDING **YOUR** EMPLOYMENT OBLIGATIONS

As a small business it is important to be aware of your employment obligations. There are two different systems of employment regulation that operate in Western Australia – the State and the national system. It is important that you know which system applies to your business as this will determine the employment laws that apply to your business and your obligations as an employer.

The Western Australian State industrial relations system covers employers who are not constitutional corporations and their employees. In general terms this includes employers who are sole traders and some partnerships and trust arrangements.

This system is regulated by the *Industrial Relations Act 1979*, underpinned by minimum conditions and includes State awards that apply to many employers.

If you are covered by the State system you can seek information on your obligations from Wageline. Wageline is a free and confidential employment information service which provides information on awards, agreements, rates of pay and conditions of employment including leave.

I run a family business – what employment laws apply? _____

A common workplace myth across many industries is that if your children, siblings or any other family members work for your business you are not required to comply with employment law.

Family members working in a business are deemed to be employees and are entitled to correct pay and conditions under State or national employment laws including (but not limited to):

- pay and hours of work;
- meal breaks; and
- annual, sick, parental and
- long service leave.

Contact Wageline on **1300 655 266** or visit commerce.wa.gov.au/LabourRelations to make sure you're doing the right thing.



For more information, resources and practical tools to help you plan, attract, recruit, manage and retain a skilled workforce visit jobsandskills.wa.gov.au/resources-employers



Deductions from pay – is it legal?

In the State industrial relations system, laws prohibit employers from making a deduction from an employee's pay without prior written authorisation from the employee.

If an employer makes unauthorised deductions from an employee's pay a complaint can be made against the employer to recover the amount deducted.

Some common examples of **unauthorised** deductions are:

- the cash register doesn't balance and the shortfall is taken from an employee's pay;
- in retail and hospitality where the cost of a uniform is deducted from an employee's pay; and
- at petrol stations where drivers fill up with fuel and drive away and the attendant is required to pay for the fuel.

Authorised deductions need to be recorded in time and wages records. Contact Wageline on **1300 655 266** to make sure you're doing the right thing.

The national industrial relations system broadly covers employers who are constitutional corporations and their employees. Generally speaking, Proprietary Limited (Pty Ltd) or Limited (Ltd) companies tend to be in the national system by virtue of their trading or financial activities.

If you are covered by the national system you can seek information from:

Fair Work Ombudsman

8.00 am to 5.30 pm Monday to Friday
T: **13 13 94** or visit fairwork.gov.au

If you are unsure which system covers your business, please call

Wageline on **1300 655 266**.



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