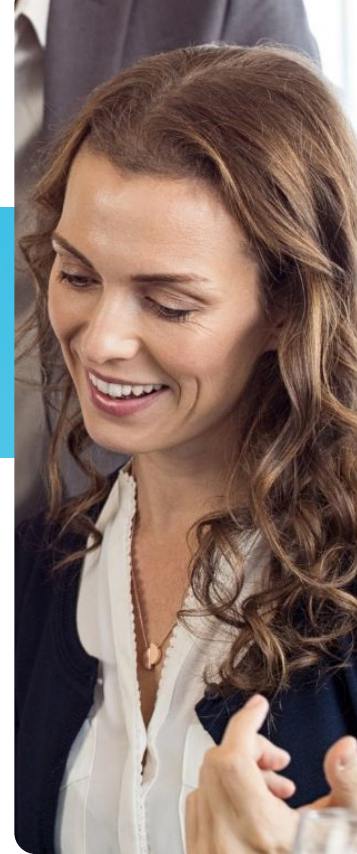


# Best Practice Guide

## Record-keeping | National System

This guide is intended to assist Western Australian small business employers in the **National industrial relations system** in complying with their wage obligations to their employees. If your business is covered by the Western Australian industrial relations system, visit [www.wageright.com.au](http://www.wageright.com.au) for more information.

The below is not intended to be an exhaustive list but is to act as a guide for employers looking to familiarise themselves with their record-keeping obligations under the *Fair Work Act 2009* (Cth).



### Is my business covered by the National industrial relations system or the Western Australian industrial relations system?

Most private sector employers in Australia are covered by the National or 'Fair Work' industrial relations system, including all 'Pty Ltd' companies.

Sole traders, unincorporated partnerships, and unincorporated trust arrangements are covered by Western Australia's industrial relations system.

- National System
- Western Australian System (**do not use this guide** - visit [here](#) for more information)

### Why is it important to keep employment records?

The law requires that certain employment records are kept for at least 7 years. However, these records can also help you keep track of any outgoings and avoid disputes in the future about what an employee has been paid.

### Where do I find these record-keeping requirements?

Record-keeping requirements are set by the *Fair Work Act 2009* (Cth) and the *Fair Work Regulations 2009* (Cth). In addition, an applicable modern award or enterprise agreement may include further record-keeping obligations that need to be complied with.

## Form of records



### How must employment records be kept?

Employment records must be:

- in writing (including electronic);
- in English;
- accurate; and
- readily accessible for inspection.

### What records do I need to keep?

The following basic records must be kept for all employees:

- the employee's name.
- the date that the employee's employment commenced.
- the employee's employment status (full-time, part-time, or casual).
- whether the employee's employment is permanent, temporary or casual.
- the name of the applicable modern award or enterprise agreement.
- the employee's classification under the award or industrial agreement.

### Do I need to keep records when an employee works overtime?

In addition, whenever an employee works overtime there are specific additional records that need to be kept. These are:

- the number of overtime hours worked by the employee during each day.
- the time an employee started working overtime hours and the time they finished.

### What happens if a modern award or enterprise agreement applies to an employee?

A modern award or enterprise agreement may require you to retain other specific records, such as agreements to cash out annual leave or to vary hours of work. Be sure to review your modern award or enterprise agreement closely to identify such record-keeping requirements.

### Useful records to keep?

Retaining a record of an employee's hours of work is important for ensuring that employees are paid for all the hours of work that they perform. This record may include:

- start and finish times.
- the periods of time that the employee was paid for performing work (i.e. not on an unpaid break).
- time and duration of rest and meal breaks.

## Pay slips

### Am I required to issue pay slips?

You are required to issue all of your employees with pay slips within one working day of pay day. These may be issued electronically or in hardcopy.

### What needs to be included on a pay slip?

A pay slip should typically include the following details, among others:

- employer's business name and ABN;
- employee's name, job title and classification under a modern award or enterprise agreement;
- the date of payment;
- the "pay period" (the period to which the payment relates);
- the ordinary hourly rate of pay and the hours worked at that rate; and
- any overtime rates or penalty rates, and the hours worked at those rates; and
- any deductions from pay, including the amount, the type of deduction and to whom it was paid;
- the gross and net wage, and the amount of tax deducted;
- current accruals of annual leave, sick leave and long service leave;
- all leave taken, whether paid, unpaid, or partly paid;
- the amount of superannuation paid and the name of the fund to which it was paid; and
- any allowances paid (such as tool allowance, laundry allowance etc).

## Keeping records

### How long do I have to keep employment records?

Employment records need to be kept for a minimum of **seven years**.

In addition, in Western Australia employment records necessary to work out an employee's long service leave entitlements must be kept for the duration of their employment and for a further seven years **after** the employee's employment has ended.





**Disclaimer**

The information contained within this best-practice guide is of a general nature and is not intended to be a comprehensive summary of the law and should not be relied upon as legal advice.

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**Where can I find further help?**

[www.wageright.com.au](http://www.wageright.com.au)

[www.fairwork.gov.au](http://www.fairwork.gov.au)



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