

# Best Practice Guide

## Record-keeping | WA System

This guide is intended to assist Western Australian small business employers in the **Western Australian industrial relations system (WA System)** in complying with their wage obligations to their employees. If your business is covered by the National 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 *Industrial Relations Act 1979 (WA)* or the *Minimum Conditions of Employment Act 1993 (WA)* as applicable.



### 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, unincorporated trust arrangements and incorporated associations that are not trading or financial corporations are covered by the WA System.

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

### Which Western Australian industrial law sets record-keeping requirements?

Slightly different record-keeping requirements apply depending on whether an employee is engaged under an industrial instrument (award or industrial agreement) or if the employee is award/agreement-free.

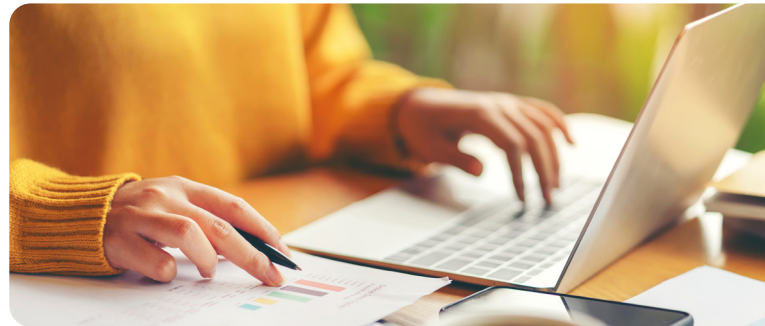
- Employee is covered by an industrial instrument (award or industrial agreement) – requirements are set by:
  - section 49D of the *Industrial Relations Act 1979*;
  - section 26 of the *Long Service Leave Act 1958*; and
  - any relevant clause in the applicable industrial instrument.
- Employee is **not** covered by an industrial instrument (award or industrial agreement) – requirements are set by:
  - section 44 of the *Minimum Conditions of Employment Act 1993*; and
  - section 26 of the *Long Service Leave Act 1958*.

## 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?

Whether an employee is employed under an industrial instrument or is award/agreement free, the following records must be kept for **all** employees:

- the employee's name.
- if the employee is under 21 years of age – the employee's date of birth.
- the date that the employee's employment commenced.
- the gross and net amounts paid to the employee.
- the amount of any deductions from pay, and the reasons for them.
- all leave taken, whether paid, unpaid, or partly paid.
- all information necessary to allow the employee's long service leave entitlements and payments to be calculated.

### What other records must be kept if an employee is engaged under an award or industrial agreement?

If an **award or industrial agreement** applies to the employee, then the following additional records must **also** be kept **in addition to** the records outlined above:

- the name of the award or industrial agreement.
- the employee's employment status (full-time, part-time, or casual).
- the employee's designation (classification) under the award or industrial agreement for each pay period.

For each day:

- the time that work started;
- the time that work ended; and
- the details of any work breaks, including meal breaks.

Any other details necessary to show that the employer has satisfied all obligations under the award or industrial agreement (for example, payment of overtime, penalty rates, and allowances).

Individual awards or industrial agreements may **impose additional record-keeping requirements** – it is important to be familiar with the applicable industrial instrument to ensure that you are complying with those specific obligations.

## Pay slips

### Am I required to issue pay slips?

Under the WA System, employers must give their employees a pay slip if the applicable industrial instrument (award or industrial agreement) requires it. However, it is good practice to issue a pay slip to all employees regardless.

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

A pay slip should typically include the following details:

- employer's business name and ABN;
- employee's name, job title and classification;
- 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;
- any overtime rates or penalty rates, and the hours worked at those rates;
- any allowances paid (such as tool allowance, laundry allowance etc.);
- 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; and
- the amount of superannuation paid and the name of the fund to which it was paid.

Industrial instruments *may require that a pay slip include additional information* – it is important to be familiar with the terms of the applicable industrial instrument to ensure that you are complying with those specific obligations.

## 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 (even if this is longer than seven years) 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.commerce.wa.gov.au](http://www.commerce.wa.gov.au)



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