

ESKI GLOSSARY

Annualised salary: A agreement that enables employers and employees to agree in writing for the employee to be paid an annualised wage or a salary instead of being paid an hourly rate. This is similar to the IFA and may be useful for farmers provided they keep excellent time records.

Apprentice: An employee that is employed under a 'training arrangement'. A 'training arrangement' is a combination of work and training that is subject to a training agreement or a training contract between the employee and employer that takes effect under a State or Territory law relating to training employees.

Allowances: Additional payments made to employees for undertaking certain tasks, possessing a skill, using their own tools or performing work under adverse conditions. Types of allowances in the Pastoral Award include vehicle, tool and equipment, and allowances which recognise specific skills and responsibilities.

Australian Business Number (ABN): A unique identifier issued by the Australian Business Register (ABR), which is operated by the Australian Taxation Office (ATO).

Award rate of pay: The minimum rate of pay that may legally be paid to an employee who is covered by an award. An award generally contains a number of rates that vary according to the age of the employee and the employee's classification.

Bonus: An amount of money paid to an employee when a set target has been achieved.

BOOT: The BOOT (Better off overall test) requires that each employee covered by an award must be better off under an enterprise agreement or an individual flexibility agreement than they would be if the relevant award applied to them. The BOOT allows some award conditions to be traded off or excluded as long as the total remuneration and/or benefits received by the employee leave them better off than if the conditions remained the same.

Casual employees: Employees who work on an hourly basis. They receive a loading on top of normal wages because they do not receive benefits such as paid annual leave and paid personal (sick) leave.

Carer's leave: Leave taken to provide care or support to a member of the employee's 'immediate family' or household who requires care or support due to personal injury or illness or an unexpected emergency.

Casual loading: Casual loading is an amount paid on top of the base rate of pay to casual employees. The purpose of a casual loading is to compensate casual employees for not being paid certain entitlements that permanent employees receive, such as paid annual leave and personal (sick) leave.

Contractor: A person or company that enters into a contract to provide materials or do a job.

Days in lieu: Working days given as paid days off to compensate for unpaid or overtime.

Discrimination (unlawful): When someone is not treated fairly or given the same opportunities because of personal characteristics or attributes. It is unlawful for an employer to discriminate against an employee or prospective employee on the basis of race, colour, sex, sexual preference, age, physical or mental disability, marital status, family or carer's responsibilities, pregnancy, religion, political opinion, national extraction or social origin.

Exceptions apply where the discrimination is:

- authorised by or under a State or Territory anti-discrimination law
- taken because of the inherent requirements of the particular position concerned
- taken against certain persons in good faith for religious reasons.

Fair Work Commission (FWC): The Fair Work Commission is the national workplace relations tribunal, established by the Fair Work Act. It is an independent body with power to carry out a range of functions covering:

- the safety net of minimum wages and employment conditions
- enterprise bargaining
- industrial action
- dispute resolution
- termination of employment.

Family and domestic violence leave: Unpaid leave of 5 days per year for domestic violence victims to deal with family and domestic violence.

Gross salary: The total amount paid to an employee before any deductions (like income tax) have been made.

Group Certificates: see Payment Summary.

Immediate family: is defined as:

- A spouse, child, parent, grandparent, grandchild or sibling of the employee
- A child, parent grandparent, grandchild or sibling of a spouse of the employee.

Individual Flexibility Agreement (IFA): An agreement between an employer and an employee, that can vary the effect of some conditions of an award. The Individual Flexibility Agreement (IFA) must pass the better off overall test (BOOT).

Induction: The formal introduction to systems and procedures given to employees when they start a new job.

Leave loading: An award condition that provides for a pay bonus to be paid when annual leave is taken or on termination of employment when accrued annual leave is paid out. It is calculated at 17.5% of the annual leave being paid.

Modern Award: An award made by the Australian Industrial Relations Commission as part of the award modernisation process in 2008 and 2009. Modern awards operate together with the National Employment Standards (NES) to provide minimum conditions of employment for employers and employees in the 'national system'. Modern awards supplement the NES by setting out additional minimum terms and conditions that apply in a particular industry or occupation including monetary entitlements such as wages, penalty rates and allowances. The Pastoral Award 2010, which covers most employees in the dairy industry, is a modern Award which replaces various State and federal awards. Modern awards commenced operation on 1 January 2010.

National Employment Standards (NES): A safety net of 10 minimum conditions, set out by law, in the Fair Work Act, for all employees.

Net salary: The amount paid to an employee after the relevant deductions (like income tax) have been made.

Parental leave: The entitlement of both male and female employees to take unpaid leave when their child is born or adopted.

Part-time employees: Employees who are engaged for a numbers of hours that are less than those for full-time employees. Part-time workers generally receive the same entitlements and benefits as full-time workers on a proportional (pro rata) basis.

Pastoral Award 2010: Awards are legal documents setting out minimum rates of pay and conditions of employment which apply to employees in a particular industry or occupation. As of 1 January 2010, the federal Pastoral Award 2010 covers employees in the dairy industry.

PAYG withholding: Pay as you go (PAYG) withholding is a legal requirement to withhold amounts (for income tax purposes) from payments made to employees for salary and wages.

Payment summary: You need to give those workers from whom you have withheld tax an annual payment summary, which shows the total payments you made to them in the financial year and how much tax you have withheld from their payments. These payment summaries contain all of the information needed for the employee to lodge a tax return and can be either electronic or in paper form.

Penalty Rates: Extra money paid to employees for working at times such as public holidays.

Personal Leave: is leave taken because the employee is not fit for work because of personal injury or illness. Under the National Employment Standards full time employees are entitled to 10 days' paid personal/carer's leave per year. Paid personal leave accumulates from year to year.

RDO: Rostered days off

Redundancy: Occurs when an employer no longer wishes the job that an employee has been performing to be undertaken by anyone- e.g., as the result of a business restructure. It has nothing to do with poor performance or misconduct.

Sick Leave : See personal leave