



INFORMATION SHEET

Workplace Services

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NSW- Guide for employers – are you putting on a new employee in the Building and Construction Industry?

This guide provides a simple checklist summary of the legal requirements you need to consider when taking on new on-site employees (including apprentices).

Determine the employee's entitlements

An employee is an Award employee or a non-award employee.

Award Employee: If there is an Industrial Award which covers the employee's industry or occupation and contains a classification for the role (or type of role) they undertake then you will need to comply with all the conditions of the relevant award. The award will stipulate the minimum wage rate of pay and other entitlements. Awards conditions must comply with the National Employment Standards. Even if you pay above award wages or under annualised salary arrangements, they still will be considered award employees.

Non-Award Employee: If there is no award covering the type of work they carry out then they will be a "non-award" employee. Traditionally managerial level employees do not fall within an award classification. The conditions of employment for non-award employees are set out under the National Employment Standards and their contract of employment.

If you have an enterprise agreement in place that covers the employee's work classification, an employee's entitlements will come from that agreement.

Call your HIA Workplace Advisor on 1300 650 620 for information on rates of pay and award coverage.

Make the offer of employment

Even if they are an award employee, it is a good idea to get all new employees to sign and accept a written offer of employment that sets out the conditions of employment that have been agreed to. You can also provide other information relevant to the business, such as workplace policies or rules. HIA has developed a range of information sheets on workplace policies - call your HIA Workplace Adviser on 1300 650 620.

Provide the new employee with the Fair Work Information Statement

The Fair Work Information Statement must be provided to the new employee as soon as possible before or after they commence. This statement is an overview of rights and entitlements under the *Fair Work Act 2009*. It is available on the Fair Work website (<http://www.fairwork.gov.au>).

Obtain your employee's details

Ensure that you have all relevant contact details such as home address, phone number, email address and emergency contact. Where relevant, you may also need the employee's bank account details (for payment of wages) and information relating to medical conditions or allergies that have the potential to affect the employee's capacity to carry out their role.

Obtain the employee's Tax File Number Declaration form

All new employees are required to fill out and complete a Tax File Number Declaration form. The form enables you to work out how much tax to withhold from payments made to your employee. You can get the form from some newsagents or by contacting the ATO. The employee needs to complete the form and return it to you. There is a 'Payer' section of the form (section B) that you must then complete and forward to the ATO within 14 days of the date the employee started with you.

Get a copy of the employee's WHS Construction Induction Card

A WHS Construction Induction Card (White Card) is required by all employees carrying out construction work, including site managers, supervisors, surveyors, labourers and tradespersons. HIA runs training courses for those who would need to obtain this induction card – for more information call HIA on 1300 650 620.

Register for PAYG withholding

To register contact the ATO (13 28 66); or complete a "Add a new business account" form available on the ATO website (<http://www.ato.gov.au>); or speak to your tax advisor. You must keep records that explain your PAYG withholding transactions. Please see HIA's info sheet on employment records.

Superannuation

Your employee is entitled to super from the first day you employ them (provided they are eligible for super) so you will need to determine which fund contributions will be made to. Most employees are entitled to select their superannuation fund. If your new employee is eligible to choose a super fund, you should provide them with a [Standard choice form](#) within 28 days from the day they started working for you.

Your employee does not have to complete the form if they do not want to nominate a fund but you still need to give them the choice. If your employee does not select a fund you must pay contributions into a fund you nominate. You should make sure that the fund you nominate complies with the Award (where applicable) and that the fund is a 'complying fund'.

For more information on super choice, call the Australian Tax Office on 13 10 20 or go to www.ato.gov.au. HIA also has more specific information on choice of super fund.

Super guarantee contributions have to be paid for each eligible employee to the correct super fund at least four times a year (see quarterly cut off dates at <http://www.ato.gov.au>). Some funds require that contributions be made on a more frequent basis.

Workers compensation

You will be required to take out workers compensation insurance if you have annual wages greater than \$7,500 if you engage an apprentice/trainee or if you are a member of a Group for workers compensation purposes. To take out a new insurance policy you will need to contact one of the workers compensation insurance providers. There is a list available at: <http://www.workcover.nsw.gov.au/insurancepremiums/schemeagents/Pages/default.aspx>

If you already have a workers compensation insurance policy and want to add an employee you should contact your insurer.

Long service leave

There is a special scheme in place for long service payments for workers in the NSW building and construction industry. The Long Service Payments Corporation is responsible for administering the scheme. Payments are for service to the industry instead of to an individual employer.

Individual workers have their periods of employment in the building and construction industry recorded by the Corporation. As an employer you are required to provide this information to the Corporation, by registering then advising the Corporation any time a worker's employment starts and ends. At the end of each financial year the Corporation will send employers a list of all workers that are registered as working for them. The employer must check the list, confirm the details and return it to the Corporation. Once this is done, all workers are sent an annual statement of service listing the periods of employment that have been added to their record. Workers are asked to check their statements carefully and notify the Corporation of any omissions or mistakes.

There is no cost for employers or workers to belong to the scheme. The scheme is funded by a levy on all building projects in NSW that cost more than \$25,000. If you are not currently registered as an employer with the Corporation you can do this:

Via the Internet go to www.longservice.nsw.gov.au/bci and click on the log-in link
or

Phone 13 14 41 and ask for an *Application for Employer Registration* to be mailed to you.

Payroll tax

If your wages (which may include some contractors who are "deemed" employees) exceed the payroll tax threshold, you will incur a payroll tax liability.

From 1 July 2014 to 30 June 2015 the threshold is \$750,000 and the tax rate is 5.45%.

The monthly thresholds are:

28 days = \$57,534

30 days = \$61,644

31 days = \$63,699

If you think you might exceed this threshold let us know and we will get you some information in relation to the payroll tax deeming provisions.

Employment Records

For information on what types of employment records an employer needs to keep please refer to HIA Information Sheet NAT- Employment Records and Pay Slips HIA ref no: ZFSIRE0747.

For more information call the HIA member Hotline on 1300 650 620