

# Glossary of terms for workers in Australia.

If you are working in Australia, the following terms and concepts may be useful in understanding your rights and entitlements as a worker.

**Minimum wage**

The minimum rate of pay that an employee can be paid for ordinary hours that they work. It is not lawful for employees to be paid less than their minimum wage, even if they agree to being paid less.

**Modern award**

The modern award sets out the minimum work conditions and pay rates that employees working in different jobs and industries are entitled to receive. The modern award is in addition to the minimum wage, and can include pay rates for employees with certain qualifications and experience, pay rates for people with a disability, and pay rates for casual employees.

**Penalty rates**

Employees are often paid a higher rate of pay when working above ordinary hours, weekends, public holidays, late night shifts or early morning shifts. These higher pay rates are known as penalty rates.

**Allowances**

Allowances are extra payments provided to employees who do certain tasks, have particular skills, use their own tools at work, or work in unpleasant or dangerous conditions. Examples of allowances include payments for uniforms, tools, and travel.

<b>Pay slip</b>	A pay slip is a document that an employer must provide to their employee within 1 working day of paying that employee. A pay slip shows how much an employee has been paid and how much tax has been sent to the Australian Tax Office. An employee should receive a pay slip at least once a month.
<b>Superannuation</b>	Superannuation or 'super' is money that an employer must put aside for their employees, to provide them some savings to live on when they retire from work. In most situations, employers make these payments directly to a superannuation company that manages these funds for employees. Employers are required to set aside a minimum of 9.5% of the employee's earnings for superannuation.
<b>Casual loading</b>	Casual loading is an additional amount that is 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 getting certain entitlements that permanent employees receive, such as paid annual leave. Most employers are required to pay a casual loading that is 25% of their employee's base rate of pay. For example, if an employee makes \$20 per hour, their casual loading would be \$5. This would bring the employee's total payment to \$25 per hour.
<b>Workers' compensation</b>	Workers' compensation is a payment given to employees if they get injured at work or become sick because of their work. Workers' compensation includes payments to cover the employee's wages while they are not able to work, as well as their medical expenses.
<b>Employment contract</b>	An employment contract is an agreement between an employer and employee that sets out the terms and conditions of employment. A contract can be a written document or a verbal agreement, and must include the minimum conditions and pay that the employee is entitled to receive under Australian law.
<b>Sham contracting</b>	This is when an employer tells a worker to work as an independent contractor with an Australian Business Number (ABN), even though the worker should be employed as an employee. The employer usually does this to avoid paying minimum employment entitlements to the worker. Sham contracting is against the law.
<b>Trial work</b>	This is a temporary period of work in which an employer can see if someone is able to work in a particular job role and do the tasks that are required for that role. The person working in the trial must be paid.
<b>Unfair dismissal</b>	Unfair dismissal happens when an employer either dismisses their employee and ends their contract without a valid reason, or dismisses their employee in way that is harsh, unjust or unreasonable.
<b>Personal Protective Equipment</b>	Personal Protective Equipment (PPE) can include equipment or clothing that employees are required to have to protect them from any harm or injury at work. Examples of PPE can include gloves, goggles, helmets, boots and aprons.
<b>Discrimination</b>	Discrimination happens when an employee is treated unfairly or is treated worse than someone else who is in similar circumstances, because of a personal trait that the employee might have like their gender, age, race or religion.

### **Annual leave**

A type of paid leave that employees are entitled to receive every year. Full time employees are entitled to receive four weeks of annual leave for every year that they work for an employer. Employees who do shift work may be entitled to receive five weeks of paid annual leave. Part time employees are also entitled to receive annual leave, but the amount of leave will depend on the number of hours that they work every week. Casual workers are not entitled to receive annual leave.

### **Compassionate leave**

All employees including casual employees are entitled to receive 2 days of compassionate leave (also known as bereavement leave) each time a member of an employee's immediate family or household passes away or develops a life-threatening illness or injury.

### **Sick and carer's leave**

All employees are entitled to take sick and carer's leave to help them manage and cope with an illness or injury, to care for an immediate family member or member of their household who is ill or injured, or to help during a family emergency.

### **Parental leave**

Parental leave is leave that can be taken either after an employee gives birth, an employee's spouse or partner gives birth, or an employee adopts a child under 16 years of age. All employees in Australia are entitled to receive up to 12 months of unpaid parental leave if they have worked with their employer regularly for at least 12 months.

### **Long service leave**

An employee can take long service leave after they work for a long period of time for the same employer. Each Australian State and Territory has laws that set out how long an employee has to work to get long service leave and how much leave they can take. In some States and Territories, casual workers can also take long service leave.

### **Flexible working arrangements**

After working for an employer for at least 12 months, an employee can ask for flexible working arrangements if they are caring for a child under 18 years old, if they are caring for someone with a disability, if they are aged 55 years or older, if they are experiencing domestic violence, or if they are helping someone in their family or household who is experiencing domestic violence. Examples of flexible working arrangements include changing the times when an employee starts and finishes work, working from home, and splitting an employee's shifts.



For more information on your rights as a worker, please contact the following agencies:

#### **Fair Work Ombudsman**

**P.** 131 394 **W.** [fairwork.gov.au](http://fairwork.gov.au)

#### **Safe Work Australia**

**W.** [safeworkaustralia.gov.au/law-and-regulation](http://safeworkaustralia.gov.au/law-and-regulation)

#### **Australian Human Rights Commission**

**P.** 1300 656 419 **W.** [humanrights.gov.au](http://humanrights.gov.au)