

# CONNECTIONS

Supporting all people to engage in activities they find meaningful

SPRING 2021 | VOL 18 ISSUE 3

## Brighter Futures



### Empowering telehealth in hand therapy

Physical activity, the forgotten occupation? The potential impact on client mental health, and the role for OT.

### OTs facilitating a brighter future for people from refugee-like backgrounds

Occupational  
Therapy AUSTRALIA 

# Are you paying your staff correctly?

Anna Pannuzzo, Director WorkPlacePLUS

## Compliance for practice owners and healthcare employers

One of the most common business challenges of running a health practice is keeping up with changes to pay rates and employment legislation. This article highlights recent compliance updates and common human resource pitfalls.

### Wages have increased

Following the Fair Work Commission's Annual Wage Review, the national minimum wage has increased to \$772.60 a week—or \$20.33 an hour—effective from the full pay period on or after 1 July, 2021.

Minimum award wages have also increased. Allied health services were among the first group of industries to receive a pay increase under modern awards, effective from the first full pay period on or after 1 July, 2021. This includes the Health Professionals and Support Services (HPSS) Award 2020. If your health practice employs an administrator under the Clerks—Private Sector Award 2020 or a cleaner under the Cleaning Services Award 2020, these wages were also increased effective from 1 July, 2021. Please contact WorkPlacePLUS for a copy of the new pay guide.

When wages are increased, allowances also need to be increased accordingly. Failing to pay the correct allowances will effectively result in the unlawful underpaying of staff.

### Contractor or employee?

If you are not classifying your staff correctly, you may be underpaying them. An employee works in your business and is part of your business. An independent contractor, on the other hand, effectively runs their own business—which means they operate under their own business name, and are responsible

As a practice manager or business owner, it is crucial to know your employer obligations. The potential penalties for non-compliance have never been higher.

for their own business compliance and commitments such as insurance, PAYG, superannuation, workers compensation, etc.

The distinction between contractors and employees is not always clear-cut. Courts look at the relationship, and there is no single indicator to determine if a person is a contractor or an employee, which creates added complexity.

If you engage contractors, it is good practice to review the arrangements regularly to ensure compliance. Otherwise you risk a court penalty of up to \$12,600 for individuals and \$63,000 for corporations per contravention, not to mention other associated costs. Also, the ATO is clamping down on businesses that force workers to be contractors with so-called sham contracts in order to circumvent their legal entitlements.

### New rights for casual employees

On Friday, 26 March, 2021, the Fair Work Act 2009 was amended to change workplace rights and obligations for casual employees. The changes were made by the Fair Work Amendment (Supporting Australia's Jobs and Economic Recovery) Act 2021 (Amendment Act). Practice owners must now provide new casual employees with a Casual Employment Information Statement when they start work. New casual employees also need to be given the Fair Work Information Statement.

### Changes to compulsory super payments

The super guarantee refers to the proportion of wages that employers must contribute to their workers' retirement savings. The super guarantee is legislated to increase 0.5 per cent a year before reaching a final 12 per cent by 2025. As part of this plan, the super guarantee rate increased to 10 per cent on 1 July, 2021. Private practice owners should make it a priority to review their obligations regarding compulsory superannuation payments.

### Changes to unpaid parental leave

On 26 November, 2020, the Fair Work Act 2009 was amended to include new unpaid parental leave entitlements for employees who experience traumatic events during or ahead of their unpaid parental leave. This includes stillbirth, premature birth or death of a child. The changes also enable all eligible parents to access up to 30 days of their unpaid parental leave flexibly, complementing similar changes that were made to the Paid Parental Leave scheme in July 2020.

### Penalties for underpayment

As a practice manager or business owner, it is crucial to know your employer obligations. The potential penalties for non-compliance have never been higher.

The Fair Work Ombudsman constantly audits businesses and cracks down on employers who breach their employer obligations,

such as underpaying staff or failing to comply with a compliance notice to back pay staff. Fair Work inspectors not only have a strong audit and education focus—they use their compliance and enforcement powers where required. A reverse onus of proof can also now apply, meaning employers who don't meet record-keeping or pay-slip obligations without a reasonable excuse will need to disprove allegations of underpayments made in court.

On 1 July, 2021, wage theft officially became a crime in Victoria. This applies to employers who intentionally underpay employees or dishonestly withhold or deduct any employment entitlement. Liability also extends to officers (such as directors and management) who engage in such conduct. The crime of wage theft carries significant

penalties for individuals and companies, including up to 10 years' imprisonment.

The information provided in this article is a summary of current workplace compliance considerations, particularly related to paying your staff the correct wages and entitlements. If you have any questions or require more detailed or tailored information, it is advisable to seek professional workplace relations advice, whether this be through the Fair Work Ombudsman or a human resources consultancy that works closely with the allied health sector such as WorkPlacePLUS

All OTA members receive special OTA member benefits through WorkPlacePLUS for support with human resources and industrial relations issues.

**About the author**

Anna Pannuzzo is the Director of WorkPlacePLUS, OTA's preferred human resources provider. OTA members can receive professional support for addressing complex human resources issues such as restructuring, bullying and harassment claims, industrial audits, employment agreements and more. Learn more at [www.workplaceplus.com.au](http://www.workplaceplus.com.au) or by calling (03) 9492 0958.



Additional resources can be viewed by scanning the QR code



**Why choose INS LifeGuard?**

-  **NURSE RESPONSE**  
Our clinical knowledge may help prevent an emergency, and could even save a life
-  **TELEHEALTH SERVICE**  
Choose our free service, or professional monitoring and reviews by a registered nurse
-  **ACTIVITY & SAFETY MONITORING**  
A.I. can passively monitor a user's surroundings and send alerts if there's any concern
-  **FAMILY & CARER SUPPORT**  
Free apps and web portals let family and carers interact with the user's alarm system (with their permission)

**1800 636 040**  
[inslifeguard.com.au](http://inslifeguard.com.au)




**In-Home & Mobile Medical Alarms**  
Quality Products & Services to Support People at Home with Emergency Response by Healthcare Professionals

Today's village residents and home care recipients expect the latest in in-home technology. Their families expect more — they expect a duty of care and ease of communication.

As Australia's only premier nurse emergency response service for over 30 years, we offer solutions that integrate world-class TeleCare expertise with leading-edge TeleHealth products and Services.

Both INS LifeGuard and INS CareCall offer:

- ✓ equipment and services that exceed Australian Standards
- ✓ an exclusive Health Information and Chat Line, available 24/7
- ✓ immediate or scheduled reporting to family or caregivers








**Why choose INS CareCall?**

-  **BEST KNOWN SYSTEMS**  
We supply hardware from Chiptech, Smart-Caller, SmartLink and the LifeGuard L-Series diallers
-  **EASE OF USE**  
The equipment is simple to use, reliable, and can be configured for a multitude of connection options
-  **NURSE RESPONSE**  
Importantly, monitoring and emergency response are provided by INS LifeGuard



**1300 599 532**  
[inscarecall.com.au](http://inscarecall.com.au)