

### PAY AND CONDITIONS GUIDE

#### **Hydrocarbons Industry (Upstream) Award 2010 [MA000062]**

('modern award')


replacing terms and conditions in or derived from

#### **Bass Strait Platform Drilling Rig Maintenance Award 1999**

**[AP769637]** ('pre-modern award')

**(VIC)**

Effective from 01 July 2013.

Published 20 June 2013 

#### **Background**

This guide was developed by the Fair Work Ombudsman to assist employers and employees covered by this modern award, pre-modern award and pay scales derived from this pre-modern award to identify minimum wages, penalties, loadings and allowances.

#### **Transitional arrangements**

Modern awards commenced operation on 01 January 2010. However, minimum wage, loading and penalty entitlements commence from 01 July 2010. Almost all modern awards include provisions to 'transition' employers and employees from their pre-modern award to the modern award system.

This modern award includes transitional provisions that provide for the 'phasing in' of increases or decreases in minimum wages, penalties and loadings in the modern award in 5 increments over 4 years from 01 July 2010. All other terms and conditions in this modern award apply in full from 01 January 2010.

The rates in this guide are current from the first pay period on or after 01 July 2013. The rates set out in this guide will change from the first full period on or after 01 July each year to take account of Fair Work Australia's annual wage review and transitional arrangements. The rates may also change as a result of a Fair Work Australia decision to vary the modern award or pay and condition entitlements of the modern award from time to time.

#### **Transitional arrangements for Division 2B State awards**

Division 2B State awards (other than Division 2B enterprise awards) terminate at the end of 31 December 2010 and, from 1 January 2011, employers and employees are covered by the relevant modern award. However, most modern awards provide that all the terms of Division 2B State awards continue to apply until the end of the full pay period which started before 1 February 2011.

The employers affected include sole traders, partnerships, other unincorporated entities and non-trading corporations in New South Wales, Queensland, South Australia and Tasmania who are covered by a Division 2B State award.

From the first full pay period starting on or after 1 February 2011, an employer who was covered by a Division 2B State award, must comply with all of the terms and conditions contained in their relevant modern award, and any transitional arrangements that apply. Transitional arrangements in most modern awards for Division 2B State award employers provide that from the first full pay period starting on or after 1 February 2011, they must pay at least the same minimum wage rates, penalties and loadings as national system employers who are transitioning from the equivalent NAPSA. There are some exceptions and special transitional arrangements that apply in certain situations. If you require help determining whether these exceptions or special transitional arrangements apply to you, please contact the Fair Work Infoline on 13 13 94.

**Note:** Modern awards are not intended to reduce an employee's take-home pay. An employee or his/her union can apply to Fair Work Australia for a take-home pay order to remedy any reduction in his/her overall take-home pay.

### **Who should use the guide?**

Employees and employers who were entitled to terms and conditions in or derived from this pre-modern award and who are now covered by this modern award.

A guide that has an AP (Pre-reform award) code typically applies to employees employed by a constitutional corporation. Usually these are companies that engage in trading or financial activities. Private companies are often identified by the 'Pty Ltd' in their name. It applies to employers in those categories who were bound by the award immediately prior to 01 January 2010.

A guide that has an AN (Notional agreement preserving State awards) code also typically applies to employees employed by a constitutional corporation. However, unlike pre-reform awards these are notional federal agreements that were created on 27 March 2006. Generally, they preserved the terms and conditions of employment (not including wage rates) in state awards and/or state legislation that applied immediately before 27 March 2006 to employees of constitutional corporations in NSW, QLD, SA, WA and TAS where State award/laws applied to those employers prior to 27 March 2006.

A guide that has an AT code typically applies to employees employed by non-constitutional corporations immediately before 27 March 2007 where the employer was bound by a Federal award. These will be sole traders, partnerships, other unincorporated entities or non-trading/financial corporations.

The guide contains information from this modern award about:

- who the modern award covers;
- wage rates, including rates for casual employees, junior employees, trainees and apprentices;
- penalty rates for working at particular times or under particular arrangements;
- allowances; and
- other conditions of employment.

### **What if an agreement applies to employees covered by the modern award?**

Minimum wage entitlements in a modern award override lesser wage entitlements in an agreement or contract of employment at all times, including agreements and contracts that were made before the commencement of the *Fair Work Act 2009*. All employees covered by the modern award must not be paid less than the rate of pay in the modern award.

However, the penalty rates and allowances in the modern award do not apply to agreement-covered employees, unless the agreement is read in conjunction with the modern award (e.g. a pre-reform certified agreement (a type of collective agreement made before 27 March 2006)).

If you require assistance with any provisions of this guide please contact the **Fair Work Infoline** on **13 13 94**.

## **Coverage**

This industry award covers employers throughout Australia who are engaged in the hydrocarbons industry in respect of work by their employees engaged in the classifications listed in this award, to the exclusion of any other modern award.

For the purposes of this clause, **hydrocarbons industry** means:

- the exploration and/or drilling for hydrocarbons by use of on and offshore drilling rigs or platform drilling rigs or any other means
- the preparatory work and development of an oil or gas field, including well servicing, and decommissioning of hydrocarbon facilities
- the extraction, separation, production and processing, piping, storage, distribution and transport (including handling or loading facilities) of hydrocarbons
- provision of services incidental to the activities set out above, including:
  - provision of clerical and administrative, warehousing, stores and materials, medical, laboratory, utility or general services, or platform services at a location where the activities above are being performed
  - provision of catering, cleaning and accommodation services where owned or operated by an employer engaged in the activities set out above at a location where the activities above are being performed
  - provision of supply base services owned or operated by an employer engaged in the activities set out above
  - the commissioning, servicing, maintaining (including mechanical, electrical, fabricating or engineering and preparatory work) modification, upgrading or repairing of facilities, plant and/or equipment used in the activities set out above by employees principally employed to perform work on an ongoing basis at a location where the activities described above are being performed or
  - the provision of temporary labour services used in the activities set out above, by temporary labour personnel principally engaged to perform work at a location where the activities described above are being performed.

This award does not cover:

- employees who are covered by a modern enterprise award, or an enterprise instrument (within the meaning of the **Fair Work (Transitional Provisions and Consequential Amendments) Act 2009** (Cth)), or employers in relation to those employees

- employees who are covered by a State reference public sector modern award, or a State reference public sector transitional award (within the meaning of the Fair Work (Transitional Provisions and Consequential Amendments) Act 2009 (Cth)), or employers in relation to those employees;
- an employee excluded from award coverage by the Act
- employers in respect of their operations or activities in the following industries or occupations:
  - employees principally engaged as maritime officers, maritime engineers, ratings and catering crew on any vessel used in offshore hydrocarbon operations (including but not limited to any propelled or non-propelled vessel used in navigation, construction or drilling, ship, barge, drilling vessel, rig, crane vessel, floating production facility, tug boat, support vessel, supply vessel, stand-by/emergency vessel, pipe laying vessel, diving support vessel, lighter or like vessels)
  - refining hydrocarbons including crude oil, petroleum and petro-chemical products and manufacture of hydrocarbon-based products
  - transportation, storage, distribution, marketing and sale of products produced in clause 4.3 (c)(ii) or finished hydrocarbons products, including operations at bulk liquid terminals, refineries, airports and depots
  - information technology professionals, professional engineers, geologists and scientists
  - security, catering, cleaning and accommodation services (unless employed by an employer engaged in the hydrocarbons industry or related company) or
  - aviation industry or
  - employers in respect of their operations or activities covered by the Manufacturing and Associated Industries and Occupations Award 2010, except for work covered within the definition provisions of the hydrocarbons industry.

This award covers employers which provide group training services for apprentices and trainees engaged in the industry and/or parts of the hydrocarbons industry and those apprentices and trainees engaged by a group training service hosted by a company to perform work at a location where the activities described herein are being performed.

Where an employer is covered by more than one award, an employee of that employer is covered by the award classification which is most appropriate to the work performed by the employee and to the environment in which the employee normally performs the work.

NOTE: Where there is no classification for a particular employee in this award it is possible that the employer and that employee are covered by an award with occupational coverage.

## **Wages**

This modern award includes transitional arrangements that apply to minimum wage entitlements from the first pay period on or after 01 July 2010 until the first pay period on or after 01 July 2014 (when modern award wages commence in full).

The following wage tables set out base rates of pay for classifications under the modern award.

It also sets out how the modern award classification matches up with pre-modern award classification. If there is no classification match the employee may be covered by another pre-modern award, or another modern award, such as a modern award that covers the employee's occupation rather than the industry.

The base rates of pay in this guide include any applicable industry allowance. The base rates of pay also include any increase from Fair Work Australia's annual wage review. For more information about transitional arrangements for minimum wage entitlements, please visit [www.fairwork.gov.au](http://www.fairwork.gov.au)

### Casual employees

The rates for casual employees set in the table below are minimum rates for **ordinary hours** only.

Please visit [www.fairwork.gov.au](http://www.fairwork.gov.au) for information about penalty entitlements for casual employees.

#### \*Post 26 March 2006 employer

Wage rates for casual employees of employers that became part of the national system after 26 March 2006 do not include annual leave loading because those employees did not have a pre-modern award entitlement to annual leave loading.

### Adult

The rates in this guide are current from the first pay period on or after 01 July 2013 until the final pay period before 01 July 2014 only.

### Full & Part Time

Modern award classification	Pre-modern award classification	Base rate of pay (hourly)
Entry level introductory	Welder	\$17.80
Entry level introductory	Electrician A Grade	\$17.80
Entry level introductory	Mechanic	\$17.80
Level 1 basic	Welder	\$18.49
Level 1 basic	Electrician A Grade	\$18.49
Level 1 basic	Mechanic	\$18.49
Level 2 intermediate	Welder	\$19.05
Level 2 intermediate	Electrician A Grade	\$19.05
Level 2 intermediate	Mechanic	\$19.05
Level 3 competent	Welder	\$19.51
Level 3 competent	Electrician A Grade	\$19.51
Level 3 competent	Mechanic	\$19.51
Level 4 advanced	Welder	\$20.55
Level 4 advanced	Electrician A Grade	\$20.55
Level 4 advanced	Mechanic	\$20.55
Level 5 advanced specialist	Welder	\$21.63
Level 5 advanced specialist	Electrician A Grade	\$21.63
Level 5 advanced specialist	Mechanic	\$21.63
Level 6 dual trade	Welder	\$22.50
Level 6 dual trade	Electrician A Grade	\$22.50
Level 6 dual trade	Mechanic	\$22.50

<b>Modern award classification</b>	<b>Pre-modern award classification</b>	<b>Base rate of pay (hourly)</b>
Level 7 dual trade instrument technician	Welder	\$23.25
Level 7 dual trade instrument technician	Electrician A Grade	\$23.25
Level 7 dual trade instrument technician	Mechanic	\$23.25

### **Casual**

<b>Modern award classification</b>	<b>Pre-modern award classification</b>	<b>Base rate of pay (hourly)</b>
Entry level introductory	Welder	\$22.07 (24%)
Entry level introductory	Electrician A Grade	\$22.07 (24%)
Entry level introductory	Mechanic	\$22.07 (24%)
Level 1 basic	Welder	\$22.92 (24%)
Level 1 basic	Electrician A Grade	\$22.92 (24%)
Level 1 basic	Mechanic	\$22.92 (24%)
Level 2 intermediate	Welder	\$23.62 (24%)
Level 2 intermediate	Electrician A Grade	\$23.62 (24%)
Level 2 intermediate	Mechanic	\$23.62 (24%)
Level 3 competent	Welder	\$24.19 (24%)
Level 3 competent	Electrician A Grade	\$24.19 (24%)
Level 3 competent	Mechanic	\$24.19 (24%)
Level 4 advanced	Welder	\$25.48 (24%)
Level 4 advanced	Electrician A Grade	\$25.48 (24%)
Level 4 advanced	Mechanic	\$25.48 (24%)
Level 5 advanced specialist	Welder	\$26.82 (24%)
Level 5 advanced specialist	Electrician A Grade	\$26.82 (24%)
Level 5 advanced specialist	Mechanic	\$26.82 (24%)
Level 6 dual trade	Welder	\$27.89 (24%)
Level 6 dual trade	Electrician A Grade	\$27.89 (24%)
Level 6 dual trade	Mechanic	\$27.89 (24%)
Level 7 dual trade instrument technician	Welder	\$28.83 (24%)
Level 7 dual trade instrument technician	Electrician A Grade	\$28.83 (24%)
Level 7 dual trade instrument technician	Mechanic	\$28.83 (24%)

### **Junior**

The rates in this guide are current from the first pay period on or after 01 July 2013 until the final pay period before 01 July 2014 only.

### **Full & Part Time Entry level introductory**

<b>Modern award classification</b>	<b>Pre-modern award classification</b>	<b>Base rate of pay (hourly)</b>
16 years or less	Welder	\$14.30
16 years or less	Electrician A Grade	\$14.30
16 years or less	Mechanic	\$14.30

<b>Modern award classification</b>	<b>Pre-modern award classification</b>	<b>Base rate of pay (hourly)</b>
17 years	Welder	\$15.70
17 years	Electrician A Grade	\$15.70
17 years	Mechanic	\$15.70
18 years or over	Welder	\$17.80
18 years or over	Electrician A Grade	\$17.80
18 years or over	Mechanic	\$17.80

### **Level 1 basic**

<b>Modern award classification</b>	<b>Pre-modern award classification</b>	<b>Base rate of pay (hourly)</b>
16 years or less	Welder	\$14.81
16 years or less	Electrician A Grade	\$14.81
16 years or less	Mechanic	\$14.81
17 years	Welder	\$16.28
17 years	Electrician A Grade	\$16.28
17 years	Mechanic	\$16.28
18 years or over	Welder	\$18.49
18 years or over	Electrician A Grade	\$18.49
18 years or over	Mechanic	\$18.49

### **Level 2 intermediate**

<b>Modern award classification</b>	<b>Pre-modern award classification</b>	<b>Base rate of pay (hourly)</b>
16 years or less	Welder	\$15.23
16 years or less	Electrician A Grade	\$15.23
16 years or less	Mechanic	\$15.23
17 years	Welder	\$16.76
17 years	Electrician A Grade	\$16.76
17 years	Mechanic	\$16.76
18 years or over	Welder	\$19.05
18 years or over	Electrician A Grade	\$19.05
18 years or over	Mechanic	\$19.05

### **Level 3 competent**

<b>Modern award classification</b>	<b>Pre-modern award classification</b>	<b>Base rate of pay (hourly)</b>
16 years or less	Welder	\$15.58
16 years or less	Electrician A Grade	\$15.58
16 years or less	Mechanic	\$15.58
17 years	Welder	\$17.15
17 years	Electrician A Grade	\$17.15
17 years	Mechanic	\$17.15
18 years or over	Welder	\$19.51
18 years or over	Electrician A Grade	\$19.51
18 years or over	Mechanic	\$19.51

### **Level 4 advanced**

<b>Modern award classification</b>	<b>Pre-modern award classification</b>	<b>Base rate of pay (hourly)</b>
16 years or less	Welder	\$16.36
16 years or less	Electrician A Grade	\$16.36
16 years or less	Mechanic	\$16.36
17 years	Welder	\$18.04
17 years	Electrician A Grade	\$18.04
17 years	Mechanic	\$18.04
18 years or over	Welder	\$20.55
18 years or over	Electrician A Grade	\$20.55
18 years or over	Mechanic	\$20.55

### **Level 5 advanced specialist**

<b>Modern award classification</b>	<b>Pre-modern award classification</b>	<b>Base rate of pay (hourly)</b>
16 years or less	Welder	\$17.17
16 years or less	Electrician A Grade	\$17.17
16 years or less	Mechanic	\$17.17

### **Level 5 advanced specialist**

<b>Modern award classification</b>	<b>Pre-modern award classification</b>	<b>Base rate of pay (hourly)</b>
17 years	Welder	\$18.95
17 years	Electrician A Grade	\$18.95
17 years	Mechanic	\$18.95
18 years or over	Welder	\$21.63
18 years or over	Electrician A Grade	\$21.63
18 years or over	Mechanic	\$21.63

### **Level 6 dual trade**

<b>Modern award classification</b>	<b>Pre-modern award classification</b>	<b>Base rate of pay (hourly)</b>
16 years or less	Welder	\$17.82
16 years or less	Electrician A Grade	\$17.82
16 years or less	Mechanic	\$17.82
17 years	Welder	\$19.69
17 years	Electrician A Grade	\$19.69
17 years	Mechanic	\$19.69
18 years or over	Welder	\$22.50
18 years or over	Electrician A Grade	\$22.50
18 years or over	Mechanic	\$22.50

### **Level 7 dual trade instrument technician**

<b>Modern award classification</b>	<b>Pre-modern award classification</b>	<b>Base rate of pay (hourly)</b>
16 years or less	Welder	\$18.39
16 years or less	Electrician A Grade	\$18.39
16 years or less	Mechanic	\$18.39



Modern award classification	Pre-modern award classification	Base rate of pay (hourly)
17 years	Welder	\$20.33
17 years	Electrician A Grade	\$20.33
17 years	Mechanic	\$20.33
18 years or over	Welder	\$23.25
18 years or over	Electrician A Grade	\$23.25
18 years or over	Mechanic	\$23.25

### Casual Entry level introductory

Modern award classification	Pre-modern award classification	Base rate of pay (hourly)
16 years or less	Welder	\$17.73 (24%)
16 years or less	Electrician A Grade	\$17.73 (24%)
16 years or less	Mechanic	\$17.73 (24%)
17 years	Welder	\$19.47 (24%)
17 years	Electrician A Grade	\$19.47 (24%)
17 years	Mechanic	\$19.47 (24%)
18 years or over	Welder	\$22.07 (24%)
18 years or over	Electrician A Grade	\$22.07 (24%)
18 years or over	Mechanic	\$22.07 (24%)

### Level 1 basic

Modern award classification	Pre-modern award classification	Base rate of pay (hourly)
16 years or less	Welder	\$18.37 (24%)
16 years or less	Electrician A Grade	\$18.37 (24%)
16 years or less	Mechanic	\$18.37 (24%)
17 years	Welder	\$20.18 (24%)
17 years	Electrician A Grade	\$20.18 (24%)
17 years	Mechanic	\$20.18 (24%)
18 years or over	Welder	\$22.92 (24%)
18 years or over	Electrician A Grade	\$22.92 (24%)
18 years or over	Mechanic	\$22.92 (24%)

### Level 2 intermediate

Modern award classification	Pre-modern award classification	Base rate of pay (hourly)
16 years or less	Welder	\$18.89 (24%)
16 years or less	Electrician A Grade	\$18.89 (24%)
16 years or less	Mechanic	\$18.89 (24%)
17 years	Welder	\$20.78 (24%)
17 years	Electrician A Grade	\$20.78 (24%)
17 years	Mechanic	\$20.78 (24%)
18 years or over	Welder	\$23.62 (24%)
18 years or over	Electrician A Grade	\$23.62 (24%)
18 years or over	Mechanic	\$23.62 (24%)

### Level 3 competent

<b>Modern award classification</b>	<b>Pre-modern award classification</b>	<b>Base rate of pay (hourly)</b>
16 years or less	Welder	\$19.32 (24%)
16 years or less	Electrician A Grade	\$19.32 (24%)
16 years or less	Mechanic	\$19.32 (24%)
17 years	Welder	\$21.27 (24%)
17 years	Electrician A Grade	\$21.27 (24%)
17 years	Mechanic	\$21.27 (24%)
18 years or over	Welder	\$24.19 (24%)
18 years or over	Electrician A Grade	\$24.19 (24%)
18 years or over	Mechanic	\$24.19 (24%)

#### **Level 4 advanced**

<b>Modern award classification</b>	<b>Pre-modern award classification</b>	<b>Base rate of pay (hourly)</b>
16 years or less	Welder	\$20.29 (24%)
16 years or less	Electrician A Grade	\$20.29 (24%)
16 years or less	Mechanic	\$20.29 (24%)
17 years	Welder	\$22.36 (24%)
17 years	Electrician A Grade	\$22.36 (24%)
17 years	Mechanic	\$22.36 (24%)
18 years or over	Welder	\$25.48 (24%)
18 years or over	Electrician A Grade	\$25.48 (24%)
18 years or over	Mechanic	\$25.48 (24%)

#### **Level 5 advanced specialist**

<b>Modern award classification</b>	<b>Pre-modern award classification</b>	<b>Base rate of pay (hourly)</b>
16 years or less	Welder	\$21.29 (24%)
16 years or less	Electrician A Grade	\$21.29 (24%)
16 years or less	Mechanic	\$21.29 (24%)

#### **Level 5 advanced specialist**

<b>Modern award classification</b>	<b>Pre-modern award classification</b>	<b>Base rate of pay (hourly)</b>
17 years	Welder	\$23.50 (24%)
17 years	Electrician A Grade	\$23.50 (24%)
17 years	Mechanic	\$23.50 (24%)
18 years or over	Welder	\$26.82 (24%)
18 years or over	Electrician A Grade	\$26.82 (24%)
18 years or over	Mechanic	\$26.82 (24%)

#### **Level 6 dual trade**

<b>Modern award classification</b>	<b>Pre-modern award classification</b>	<b>Base rate of pay (hourly)</b>
16 years or less	Welder	\$22.10 (24%)
16 years or less	Electrician A Grade	\$22.10 (24%)
16 years or less	Mechanic	\$22.10 (24%)

Modern award classification	Pre-modern award classification	Base rate of pay (hourly)
17 years	Welder	\$24.42 (24%)
17 years	Electrician A Grade	\$24.42 (24%)
17 years	Mechanic	\$24.42 (24%)
18 years or over	Welder	\$27.89 (24%)
18 years or over	Electrician A Grade	\$27.89 (24%)
18 years or over	Mechanic	\$27.89 (24%)

### **Level 7 dual trade instrument technician**

Modern award classification	Pre-modern award classification	Base rate of pay (hourly)
16 years or less	Welder	\$22.80 (24%)
16 years or less	Electrician A Grade	\$22.80 (24%)
16 years or less	Mechanic	\$22.80 (24%)
17 years	Welder	\$25.21 (24%)
17 years	Electrician A Grade	\$25.21 (24%)
17 years	Mechanic	\$25.21 (24%)
18 years or over	Welder	\$28.83 (24%)
18 years or over	Electrician A Grade	\$28.83 (24%)
18 years or over	Mechanic	\$28.83 (24%)

### **Apprentice**

Apprentice employees are not covered by this guide for the modern award and pre-modern award.

### **Trainee**

This modern award incorporates trainee rates derived from the National Training Wage Schedule (NTW Sch.), as adjusted from time to time.

### **Supported Wage**

Please refer to clause 14.5 of the modern award.

For detail of the supported wage provisions see the full version of the modern award.

### **Penalties and Loadings (other than casual or part-time loadings for ordinary hours)**

Where an employee had an entitlement to a loading/penalty rate before 01 January 2010 that is exactly the same as the modern award loading/penalty entitlement the modern award loading/penalty applies in full from 01 January 2010.

### **Transitional arrangements**

This modern award includes transitional arrangements that apply to loading/penalty entitlements where there is a difference in modern award and pre-modern award loading/penalty entitlements. Transitional arrangements apply from the first pay period on or after 01 July 2010 until the first pay period on or after 01 July 2014 (when modern award loadings/penalties apply in full).

Different arrangements apply depending on whether the entitlements are "equivalent" or not.

- A pre-modern award loading/penalty will be “equivalent” to a modern award entitlement where the loading/penalty applies:
  - for the same purpose (e.g. Saturday penalty);
  - for the same time periods; and
  - in the same way#.
    - #A pre-modern award and modern award loading/penalty applies in the same way if the entitlements are both:
      - paid at the same frequency, such as per hour or per shift; and
      - paid as a percentage of the same amount (e.g. both penalties are paid as a percentage of the employee’s classification rate, rather than as a percentage of a different amount or paid as a flat dollar amount).

Casual loadings and penalties also need to interact with each other in the same way in the pre-modern award and modern award to be equivalent (e.g. the loading and penalty rate are calculated on the base hourly rate in both instruments).

### Equivalent entitlements

If the pre-modern award loading/penalty rate is “equivalent” to the modern award loading/penalty rate the penalty rate is calculated as follows:

1. The difference between the two loading/penalty rates is referred to as a “transitional percentage”. The transitional percentage stays the same every year.
2. A proportion of the transitional percentage is calculated each year as follows:

First full pay period on or after	Proportion of transitional percentage
01 July 2010	80%
01 July 2011	60%
01 July 2012	40%
01 July 2013	20%
01 July 2014	0%

3. Where the modern award loading/penalty is higher, the penalty rate is obtained by subtracting the proportion of the transitional percentage.

#### Example:

The table below shows the percentage penalty rates that apply from the first full pay period on or after 01 July 2010 until the last full pay period before 01 July 2011 for common penalty rates.

Please note the below table is a guide **only** and can only be used when the entitlements are equivalent and the modern award penalty is higher.

1/01/2010 Pre-modern award penalty	1/07/2014 Modern award penalty	1/07/2010 Penalty rate (phased)
25%	50%	30%
50%	75%	55%
50%	100%	60%
75%	100%	80%

4. Where the modern award loading/penalty is lower, the penalty rate is obtained by adding the proportion of the transitional percentage.

*Example:*

The table below shows the percentage penalty rates that apply from the first full pay period on or after 01 July 2010 until the last full pay period before 01 July 2011 for common penalty rates.

Please note the below table is a guide **only** and can only be used when the entitlements are equivalent and the modern award penalty is lower.

<b>1/01/2010</b>	<b>1/07/2014</b>	<b>1/07/2010</b>
<b>Pre-modern award penalty</b>	<b>Modern award penalty</b>	<b>Penalty rate (phased)</b>
50%	25%	45%
75%	50%	70%
100%	50%	90%
100%	75%	95%

### **Entitlements that are not equivalent**

If pre-modern award and modern award penalty rates are not "equivalent", the following approach applies:

1. Loadings/penalty rates from a modern award are phased in from zero in five instalments of 20% by multiplying the penalty rate by the following percentage:

<b>First full pay period on or after</b>	<b>Percent of modern award loading/penalty</b>
01 July 2010	20%
01 July 2011	40%
01 July 2012	60%
01 July 2013	80%
01 July 2014	100%

2. Pre-modern award loadings/penalty rates are phased out to zero in five instalments of 20% by multiplying the penalty rate by the following percentage:

<b>First full pay period on or after</b>	<b>Percent of pre-modern award loading/penalty</b>
01 July 2010	80%
01 July 2011	60%
01 July 2012	40%
01 July 2013	20%
01 July 2014	0%

Please note that a pre-modern award penalty rate can be 'phased out' at the same time that a modern award penalty is 'phasing in' (i.e. where different entitlements apply in the same time period). This means that two different rates may apply for the same time period.

*Example:*

The table below shows the percentage penalty rates that apply from the first full pay period on or after 01 July 2010 until the last full pay period before 01 July 2011 for common penalty rates.

Please note the below table is a guide **only** and can only be used when the entitlements are not equivalent.

<b>1/01/2014</b>	<b>1/07/2010</b>
<b>Modern award penalty</b>	<b>Penalty rate (phased)</b>
	<b>(20.00%)</b>
10.00%	2.00%
20.00%	4.00%
25.00%	5.00%
50.00%	10.00%
75.00%	15.00%
100.00%	20.00%
120.00%	24.00%
125.00%	25.00%
130.00%	26.00%
150.00%	30.00%

<b>1/01/2010</b>	<b>1/07/2010</b>
<b>Pre-modern award penalty</b>	<b>Penalty rate (phased)</b>
	<b>(80.00%)</b>
10.00%	8.00%
20.00%	16.00%
25.00%	20.00%
50.00%	40.00%
75.00%	60.00%
100.00%	80.00%
120.00%	96.00%
125.00%	100.00%
130.00%	104.00%
150.00%	120.00%

### **New entitlements**

Where an employee did not have a particular loading/penalty entitlement before 01 January 2010, the modern award loading/penalty is phased in from zero as a new entitlement from the first pay period on or after 01 July 2010 by multiplying the penalty rate by the following percentage:

<b>First full pay period on or after</b>	<b>Percent of modern award loading/penalty</b>
01 July 2010	20%
01 July 2011	40%
01 July 2012	60%
01 July 2013	80%
01 July 2014	100%

### *Example:*

The table below shows the percentage penalty rates that apply from the first full pay period on or after 01 July 2010 until the last full pay period before 01 July 2011 for common penalty rates.

Please note the below table is a guide **only** and can only be used when the entitlements in the modern award are new.

<b>1/07/2014</b>	<b>1/07/2010</b>
<b>Modern award penalty</b>	<b>Penalty rate (phased)</b>
25%	5%
50%	10%
75%	15%
100%	20%

For more information about transitional arrangements for loading/penalty entitlements please visit [www.fairwork.gov.au](http://www.fairwork.gov.au) and/or contact the **Fair Work Infoline** on **13 13 94** for advice and assistance.

## **Allowances**

Allowances in modern awards apply in full from 01 January 2010 (although the rates may change from time to time).

### **All states covered by this instrument Full Time, Part Time, Casual**

<b>Clause</b>	<b>Allowance Type</b>	<b>Description</b>	<b>Effective Date</b>	<b>Rate</b>
15.2(a)	Leading hand allowance	Leading hands in charge of 3 to 10 employees.	1/07/2013	\$0.5415 per hour.  This weekly allowance has been converted to an hourly amount. It should be applied to all ordinary hours of work (up to a maximum of 38 hours per week). (2.84%)
15.2(a)	Leading hand allowance	Leading hands in charge of 11 to 20 employees.	1/07/2013	\$0.8561 per hour.  This weekly allowance has been converted to an hourly amount. It should be applied to all ordinary hours of work (up to a maximum of 38 hours per week). (4.49%)
15.2(a)	Leading hand allowance	Leading hands in charge of more than 20 employees.	1/07/2013	\$1.0829 per hour.

Clause	Allowance Type	Description	Effective Date	Rate
				This weekly allowance has been converted to an hourly amount. It should be applied to all ordinary hours of work (up to a maximum of 38 hours per week). (5.68%)
15.2(b)	Licence allowance	<p>All purpose allowance expressed as per week.</p> <p><b>Licence allowance - electricians</b></p> <p>An employee who is required by their employer to hold an Electrical Technicians licence (or equivalent) will be paid an all purpose allowance of 2.89% of the standard rate per week.</p>	1/07/2013	<p>\$0.5510 per hour.</p> <p>This weekly allowance has been converted to an hourly amount. It should be applied to all ordinary hours of work (up to a maximum of 38 hours per week). (2.89%)</p>
15.3(b)	Away from home/ usual place of employment	<p>Allowance only applies to employees required to undertake remote work.</p> <p>Where required to live away from their normal place of residence, employer will pay an allowance of 6.00% of the standard rate for each day or part of the day the employee is living away. (6% per week x 38 = 228%)</p>	1/07/2013	\$43.4700 per day or part of the day. (228.00%)
15.4(a)	Meal allowance	An employee will be paid a meal allowance on each occasion they are entitled to a rest break during overtime work, provided that an allowance is not required to be paid if the employer:	1/07/2013	\$14.9500 per meal.



Clause	Allowance Type	Description	Effective Date	Rate
		<ul style="list-style-type: none"> <li>- provides a meal or meal-making facilities</li> <li>- notified the employee no later than the previous day or shift that the employee would be required to work the overtime or</li> <li>- the employee is entitled to receive a living away from home allowance.</li> </ul>		
15.4(b)	Tool allowance	<p>An employee who is required by the employer to supply and maintain tools ordinarily required in the performance of work will be paid an allowance per week.</p> <p>(\$14.65 / 38 = 0.385526)</p>	1/07/2010	<p>\$0.3855 per hour.</p> <p>This weekly allowance has been converted to an hourly amount. It should be applied to all ordinary hours of work (up to a maximum of 38 hours per week).</p>

### Full Time, Part Time

Clause	Allowance Type	Description	Effective Date	Rate
15.3(a)	Industry allowance	<p>All purpose allowance expressed as per week.</p> <p>Employees will be paid an all purpose industry allowance of 5.96% of the standard rate per week.</p>	1/07/2013	<p>\$1.1363 per hour (5.96%)</p>

## **Other Conditions**

The following conditions in the modern award apply in full from 1 January 2010. Please note that the below table is a summary of commonly applicable entitlements in the modern award, there may be other entitlements in the modern award that are relevant to particular employers or employees. Please refer to the modern award for full details.

**Note:** The National Employment Standards (**NES**) operate together with modern awards to provide minimum conditions of employment for employers and employees in the national system. The NES sets out ten minimum statutory entitlements that apply to all employees, including leave and termination of employment entitlements.

For more information about the NES, please visit [www.fairwork.gov.au](http://www.fairwork.gov.au)

### **All states covered by this instrument**

<b>Clause</b>	<b>Conditions Type</b>	<b>Description</b>
7	Award flexibility (Instrument)	<p>An employer and an individual employee may agree to vary the following terms of this award to meet the genuine needs of the employer and the individual employee with respect to:</p> <ul style="list-style-type: none"><li>- arrangements for when work is performed</li><li>- overtime rates</li><li>- penalty rates</li><li>- allowances</li><li>- leave loading.</li></ul> <p>Other conditions concerning award flexibility are contained within the Fair Work Act 2009.</p>
8	Consultation (Instrument)	<p>The award contains information on the employer's responsibility to consult regarding major workplace change including the:</p> <ul style="list-style-type: none"><li>- duty to notify, and</li><li>- duty to discuss change.</li></ul>
9	Dispute resolution (Instrument)	<p>The award sets out a dispute resolution procedure for dealing with disputes in relation to a matter under the award or the National Employment Standards (NES).</p>
10.3	Part-time conditions	Part-time employee:

Clause	Conditions Type	Description
	(Instrument)	<p>- is engaged to work an average of fewer than 38 ordinary hours per week and</p> <p>- receives, on a pro rata basis, equivalent pay and conditions to full-time employees.</p> <p>Employer must inform employee of their ordinary hours and starting and finishing times. Time in excess of these hours is paid at appropriate overtime rate.</p>
10.4	Casual conditions (Instrument)	<p>Casual employee's ordinary hours are the lesser of an average 38 hours per week or the average hours required to be worked by employer per week over the work cycle.</p> <p>A casual is paid no less than 1/38th of minimum weekly rate of pay for their classification in the award, plus a casual loading of 25%. Minimum engagement is one day.</p> <p>Casual loading is paid instead of annual leave, paid personal/carer's leave, notice of termination, redundancy benefits and other attributes of full-time or part-time employment.</p>
11.2	Termination of employment - notice of termination by an employee (Instrument)	<p>The notice of termination required to be given by an employee is the same as an employer except there is no requirement to give additional notice based on age. If an employee fails to give the required notice the employer may withhold from any monies due on termination, the difference between the amount of notice required and the amount of notice actually given.</p>
11.3	Termination of employment - job search entitlement (Instrument)	<p>Where an employer has given notice of termination to an employee, an employee must be allowed up to one day's time off without loss of pay for the purpose of seeking other employment. The time off is to be taken at times that are convenient to the employee after consultation with the employer.</p>
12.2	Redundancy - transfer to lower paid duties (Instrument)	<p>Where an employee is transferred to lower paid duties by reason of redundancy, the same period of notice must be given as the employee would have been entitled to if the employment had been terminated. Alternatively, the employer may choose to pay the employee the difference between the former ordinary time rate of pay and the new ordinary time rate of pay for the number of weeks of notice still owing.</p>
12.3	Redundancy - employee leaving during notice period (Instrument)	<p>An employee given notice of termination in circumstances of redundancy may terminate their employment during the period of notice. The employee is entitled to receive the benefits and payments they would have received had they remained in employment until the expiry of the notice, but is not entitled to payment instead of notice.</p>

Clause	Conditions Type	Description
12.4	Redundancy - job search entitlement (Instrument)	<p>An employee given notice of termination in circumstances of redundancy must be allowed up to one day's time off without loss of pay during each week of notice for the purpose of seeking other employment.</p> <p>If the employee has been allowed paid leave for more than one day, the employee must, by request, produce proof of attendance at an interview or they will not be entitled to payment for the time absent. For this purpose a statutory declaration is sufficient.</p>
12.5	Redundancy - transitional provisions (Instrument)	<p>An employee is entitled to redundancy pay in accordance with the NAPSA that would have applied to the employee immediately prior to 1 January 2010, if the employee had at that time been in their current circumstances of employment and no agreement-based transitional instrument or enterprise agreement had applied to the employee; and that would have entitled the employee to redundancy pay in excess of the employee's entitlement under the NES. This includes employees engaged after 1 January 2010.</p> <p>The entitlement to redundancy pay under the NAPSA is limited to the amount which exceeds the entitlement under the NES.</p> <p>This clause does not reduce an employee's entitlement to redundancy pay under any other instrument and ceases to operate on 31 December 2014.</p>
15.4(c)	Away from home/usual place of employment (Instrument)	<p><b>Stand-by allowance</b></p> <p>Required on stand-by at a place away from their home, employer must either reimburse cost of reasonable board and accommodation, or provide board and accommodation within a reasonable distance of where employee is required to be available.</p>
15.6	Accident pay (Instrument)	<p>An employee is entitled to accident pay and/or journey insurance in accordance with the terms of:</p> <p>(a) a NAPSA that would have applied to the employee immediately prior to 1 January 2010 or an award made under the Workplace Relations Act 1996 (Cth) that would have applied to the employee immediately prior to 27 March 2006, if the employee had at that time been in their current circumstances of employment and no agreement made under the Workplace Relations Act 1996 (Cth) had applied to the employee; and</p>

Clause	Conditions Type	Description
		<p>(b) that would have entitled the employee to accident pay and/or journey insurance in excess of the employee's entitlement to accident pay, if any, under any other instrument.</p> <p>The employee's entitlement to accident pay and/or journey insurance under the NAPSA or award is limited to the amount of accident pay and/or journey insurance which exceeds the employee's entitlement to accident pay and/or journey insurance, if any, under any other instrument.</p> <p>This clause does not operate to diminish an employee's entitlement to accident pay and/or journey insurance under any other instrument and ceases to operate on 31 December 2014.</p>
15.7	Transport of employees (Instrument)	<p><b>Point of assembly—remote work</b></p> <p>Undertaking remote work, employer will nominate assembly point in a centre of population where normal amenities are available, and either provide transport or reimburse cost of transportation between assembly point and workplace and return.</p> <p>Minimum rates of pay include compensation for four hours travelling time at commencement and completion of each work cycle.</p> <p>Where, under normal circumstances, travelling time between point of assembly and workplace normally exceeds four hours at a given location, employer will pay travelling time at ordinary rate for the period in excess of four hours up to maximum of 12 hours in respect of any journey.</p> <p>If dismissed at workplace, employer will either provide transport or reimburse cost of transportation from workplace to assembly point.</p>
16	District allowance (Instrument)	<p>An employee in the Northern Territory or Western Australia is entitled to payment of a district allowance in accordance with the provisions of an award or NAPSA under the Workplace Relations Act 1996 that would have applied to the employee immediately prior to 1 January 2010, if the employee had at that time been in their current circumstances of employment and no agreement-based transitional instrument or enterprise agreement had applied to the employee; and providing that employee was not bound by an agreement under that Act.</p> <p>This clause ceases to operate on 31 December 2014.</p>

Clause	Conditions Type	Description
17	Higher duties (Instrument)	Engaged for three hours or more per day or shift (excluding meals and rest breaks) on duties carrying a higher rate must, except where engaged in training, be paid higher rate.
19	Inclement weather (Instrument)	<p><b>Storms and cyclones</b></p> <p>Storms, cyclones or other conditions which prevent safe performance on drilling rig, platform or at a facility, employer may demobilise, reassign or stand down, affected employees. In event of a stand down, employees continue to be paid minimum rate of pay for ordinary hours in accordance with award for up to five working days.</p>
20	Other (Instrument)	<p><b>Annual salary instead of award provisions</b></p> <p>Employer may pay an annual salary instead of:</p> <ul style="list-style-type: none"> <li>- Minimum wages</li> <li>- Allowances</li> <li>- Overtime and penalty rates and</li> <li>- Annual leave loading.</li> </ul> <p>Where annual salary paid employer must specify in writing annual salary and what provisions of award will not apply.</p> <p><b>Annual salary not to disadvantage employees</b></p> <ul style="list-style-type: none"> <li>- Annual salary must be no less than amount employee would have otherwise been entitled to under award for work performed over the year for which the salary is paid (or if employment ceases earlier over such lesser period).</li> <li>- Annual salary is paid in full satisfaction of any obligation to otherwise make payments under award for provisions that will not apply instead of salary and may be relied upon to set off any obligation.</li> </ul> <p><b>Base rate of pay for employees on annual salary arrangements</b></p>

Clause	Conditions Type	Description
		<p>For the purposes of the NES, base rate of pay of employee receiving annual salary comprises portion of annual salary equivalent to relevant rate of pay in award and excludes any incentive-based payments, bonuses, loadings, monetary allowances, overtime and penalties and any other separately identifiable amounts incorporated into annual salary.</p>
20	Other (Instrument)	<p><b>Composite rate instead of award provisions</b></p> <p>Following composite rate provisions apply only to employees who are required to perform drilling (as part of prospecting or exploration), prospecting and exploration duties.</p> <p>Where paid on daily basis, employer may pay composite daily rate instead of:</p> <ul style="list-style-type: none"> <li>- Minimum wages</li> <li>- Allowances</li> <li>- Overtime and penalty rates and</li> <li>- Annual leave loading.</li> </ul> <p>Where composite daily rate is paid employer must in writing specify composite rate and what provisions of award will not apply.</p> <p><b>Composite daily rate not to disadvantage employees</b></p> <p>Composite daily rate must be no less than amount which employee would be entitled to receive under relevant wage rates, penalties, allowances and loadings over period of engagement for which composite rate is paid. Composite daily rate is paid in full satisfaction of any obligation to otherwise make payments for provisions that will not apply instead of composite rate and may be relied upon to set off any obligation.</p> <p><b>Base rate of pay for employees on composite daily rate arrangements</b></p>

Clause	Conditions Type	Description
		For the purposes of the NES, base rate of pay of employee receiving composite daily rate comprises portion of composite daily rate equivalent to relevant minimum daily rate of pay in award and excludes any incentive-based payments, bonuses, loadings, monetary allowances, overtime and penalties and any other separately identifiable amounts incorporated into composite rate.
21.2	Span of hours (Instrument)	<p><b>Employees other than shiftworkers</b></p> <p>May be required to work up to 12 ordinary hours per day, between 6.00am and 6.00pm, Monday to Sunday.</p> <p>Employer may agree with employee or majority of affected employees to alter spread of hours.</p>
21.3	Span of hours (Instrument)	<p><b>Shiftworkers</b></p> <p>May be required to work a shift of up to 12 consecutive ordinary hours (including meal breaks).</p> <p>May be required to change shifts or change between day and shiftwork, or shift and day work. May be required to commence or cease shiftwork upon one week's notice.</p>
21.4	Span of hours (Instrument)	<p><b>Special arrangements for cycle work</b></p> <p>Notwithstanding any other provision of award, following applies when undertaking cycle work:</p> <ul style="list-style-type: none"> <li>- Employees may be engaged to work on cycle made up of working and non-working days. Total ordinary hours during cycle must not exceed 38 multiplied by total number of working (on-duty period) and non-working (off-duty period) days in cycle divided by seven.</li> <li>- On-duty period commences at commencement of work at workplace. Off-duty period commences at time of departure from workplace.</li> <li>- Employees may be required to work up to 12 consecutive ordinary hours (including meal breaks), provided number of days in cycle which ordinary time may be worked on on-duty days must not exceed number of days in cycle multiplied by 0.714, unless otherwise agreed.</li> </ul>
22	Hours of work	<b>Maximum weekly hours</b>



Clause	Conditions Type	Description
	(Instrument)	<p>Award provides industry specific detail and supplements the NES which deals with maximum weekly hours.</p> <p>For the purposes of the NES employee's weekly hours may be averaged over a period of up to 26 weeks.</p>
23	Rostering (Instrument)	<p>Subject to clause 21.3(b) employer may vary days of work or start and finish times to meet needs of the business by giving at least 48 hours' notice, or shorter period as agreed.</p> <p>Employees may be required to perform reasonable handover work to ensure continuity of operations.</p> <p>Employee not relieved as scheduled at end of shift, must continue until relieved or authorised to finish, authorisation must not be unreasonably withheld. Where required to work during a period which normally be part of their non-working days, paid as though each day on which required to work was normal on-duty day and then allowed additional off-duty day taken at agreed time for each day worked, or at employer's discretion additional work paid at overtime rates.</p> <p>Employer must consult with directly affected employees about any changes made.</p> <p><b>Emergency arrangements</b></p> <p>Notwithstanding anything contained above, employer may vary or suspend any roster arrangement immediately in the case of an emergency.</p>
24.1	Breaks - meal (Instrument)	<p>Employee, other than shiftworker, entitled to unpaid meal break of not less than 30 minutes after every five hours.</p> <p>Shiftworker working 10 hours or less entitled to paid meal break of 20 minutes per shift.</p> <p>Shiftworker working longer than 10 hours entitled to paid meal breaks totalling 40 minutes per shift.</p> <p>Breaks are scheduled by supervisor based upon operational requirements. Employer will not require employee to work more than five hours before first meal is taken or between subsequent meal breaks.</p> <p>Employer and employee may agree to vary time of breaks, provided break not reduced and employer not required to make any payment in excess of or less than what would otherwise be required.</p>

Clause	Conditions Type	Description
24.2	Breaks - rest (Instrument)	<p>Employee may take paid rest break of 20 minutes after each four hours of overtime, if required to continue after break.</p> <p>Employer and employee may agree to variation of above to meet circumstances of workplace, provided employer not required to make payment in excess of or less than what would otherwise be required.</p>
24.3	Break between work periods (Instrument)	<p><b>Other than shiftworkers</b></p> <p>Overtime, wherever reasonably practicable, should be arranged so employees have at least 10 consecutive hours off between work on successive working days.</p> <p>Overtime between termination of ordinary work one day and commencement of ordinary work next day that employee has not had at least 10 consecutive hours off between those times be released after completion of overtime until having 10 consecutive hours off without loss of pay.</p> <p>Resuming or continuing without having 10 consecutive hours off, relevant overtime rate until released for 10 hours. Entitled to be absent until having 10 consecutive hours off without loss of pay.</p> <p><b>Shiftworkers</b></p> <p>Required period of consecutive hours off work is eight hours. Other arrangements as above.</p>
25.1 (b)	Recall (Instrument)	<p><b>Other than continuous shiftworkers</b></p> <p>Recalled to work overtime after leaving employer's premises (whether notified before or after leaving premises) paid minimum of four hours.</p>
25.4	Overtime – time off in lieu (Instrument)	<p>Employee can, with consent of employer, take time off instead of payment for overtime at time or times agreed.</p> <p>May take one hour of time off for each hour of overtime, paid at ordinary rate.</p>
26.4	Annual leave (Instrument)	<p><b>Arrangements for taking leave</b></p>

Clause	Conditions Type	Description
		<p>Working in remote location or on cycle work consisting of working and non-working days, period of paid annual leave includes working and non-working days.</p> <p>Working in remote location or on cycle work consisting of working (on-duty period) and non-working days (off-duty period), employer may reasonably require:</p> <ul style="list-style-type: none"> <li>- periods of annual leave taken must be a multiple of on-duty period under employee's work cycle roster or</li> <li>- employee take annual leave provided in roster cycle.</li> </ul>
26.5	Annual leave (Instrument)	<p><b>Payment for annual leave</b></p> <p>Amount paid prior to going on leave be worked out on basis of the greater of:</p> <ul style="list-style-type: none"> <li>- what would be paid working ordinary hours during period of leave, including loadings, penalties and allowances for all purposes (excluding payments in respect of overtime, or any payment which might be payable as reimbursement for expenses incurred) or</li> <li>- minimum rate of pay for ordinary hours under award plus leave loading of 17.5%.</li> </ul>
26.6	Annual leave (Instrument)	<p><b>Taking of annual leave during shut-downs or lay-ups</b></p> <p>Employee may be directed to take paid annual leave during all or part of period where employer shuts down business or part of business. If they do not have sufficient accrued leave for period of shut-down, then may be required to take leave without pay.</p> <p>Where necessary for drilling rig to lay up for repairs, survey or maintenance or rig cannot be usefully employed for any cause beyond employer's control, employer may require employee to take accrued leave by giving not less than one week's notice (or where agreed, leave in advance).</p>
26.7	Annual leave - excessive leave (Instrument)	<p>Employee may be directed to take paid leave if they have accrued more than eight weeks or, for continuous shiftworkers, 10 weeks paid leave, and employer and employee are unable to reach agreement on taking of leave. Employer must give at least 28 days' notice prior to date required to commence leave.</p>
26.8	Annual leave	<p><b>Taking of annual leave over an extended period</b></p>

Clause	Conditions Type	Description
	(Instrument)	Employer and employee may agree that employee take period of paid leave over longer period. Where this occurs, payment for leave will be reduced in proportion to period extended. For example, it may be agreed that leave period is doubled and taken on half pay.
26.9	Annual leave (Instrument)	<p><b>Leave in advance</b></p> <p>Employee may agree with employer to take leave in advance of accruing. Where this occurs, employee's leave balance is reduced by amount equivalent to leave taken in advance as the entitlement to leave accrues.</p> <p>Employer may deduct from termination payments, leave taken in advance where entitlement to that leave has not accrued at date of termination.</p>

### **Frequency of Payment**

The employer will pay the employees wages, penalties and allowances at a frequency of not longer than monthly by electronic funds transfer into the employee's bank (or other recognised financial institution) account as nominated by the employee.

An employer may deduct from any amount required to be paid to an employee under this clause the amount of any overpayment of wages or allowances.

**IMPORTANT NOTE: Disclaimer**

The Fair Work Ombudsman (FWO) is committed to providing useful, reliable information to help you understand your rights and obligations under workplace laws. The Pay and Conditions Guides are provided for that purpose.

There are factors that may affect the information contained in these Guides. These include:

- changes to pay rates, allowances, penalties or modern award provisions; eg after FWA's annual wage review which takes effect on 1 July each year
- changes to the Fair Work Act or other relevant legislation
- decisions of courts or Fair Work Australia, in particular regarding the effect of provisions in modern awards and pre-modern awards where those differ from the approach taken by the FWO.

The FWO will consider these matters and where appropriate update the Guides.

It is your responsibility to comply with workplace laws and industrial instruments that apply to you.

The information contained in these Pay and Conditions Guides is:

- general in nature and may not deal with all aspects of the law that are relevant to your specific situation; and
- not legal advice.

Therefore you may wish to seek your own independent professional advice to ensure all the factors relevant to your circumstances are properly considered.