

BIPO TIMES

April 2025 Vol. 92

www.biposervice.com

Australia's Labour Law & Employment Regulations

Overview

Australia is one of the most multicultural countries in the world, and home to the world's oldest continuing culture with a highly skilled workforce and a proud history of democracy and stable government.

Australia has a strong and open economy with a 2.1% GDP growth rate in 2024 ([IMF, 2024](#)). Australia has fifteen Free Trade Agreements (FTAs) with 26 countries. Australia welcomes foreign investment which has helped build the country's economy by providing capital to finance new industries and enhance existing ones. Today, Australia is home to 25 million people from almost 200 countries. All Australians have access to quality and affordable health care – for both physical and mental health. Over 30% of the Australian resident population were born overseas.

In this issue, we explore Australia's employment landscape to help you navigate your business.

Basic Country Facts



Capital

Canberra in ACT and 7 states: WA, NT, SA, QLD, NSW, VIC & TAS



Population

27.67 million
[IMF](#)



Currency

Australian dollar (AUD, \$)



GDP per Capita

USD 65,970 (as of 2024)
[IMF](#)

Business Landscape in Australia

Key Economic Indicators

Unemployment Rate	4.0% RBA
Employment Growth	3.1% RBA
Employment to population ratio	64.2% Australian Bureau of Statistics
Wage Growth	3.5% RBA
Average weekly earnings	USD 913.08 RBA

Labour Law & Employment Regulations

Workplace Law

Compared to other nearby countries in Asia, Australia is highly regulated with better employment conditions. Fair Work Act 2009 National Employment Standards is the name used for the minimum employment laws and agency bodies that were created by the Fair Work Act 2009.

Recently the Australian Government passed bills to update the Fair Work Act 2009 (Fair Work Act) and related legislation. New laws can have significant impacts across the workplace relations system. They can change rules and responsibilities for employers and employees.

“Closing the loophole” ensure employees and contractors are not underpaid, basic work rights are protected by obliged to Modern Slavery policy; paid Domestic Violence Leave as well as Right to disconnect are recently introduced: Employees can refuse to respond to after-hours contact from their employer and clients, unless that refusal is unreasonable.

Workplace Law Changes: June to December 2023

Date	Item
6 June 2023	Secure Jobs, Better Pay workplace laws These are the changes to: <ul style="list-style-type: none">flexible working arrangementsextending unpaid parental leaveagreement-makingbargaining. Learn more at fairwork.gov.au/sjbp

Date	Item
30 June 2023	<p>1. 15% wage increase for aged care sector Direct care and some senior food services employees in the aged care sector receive a 15% increase to minimum wages. Find more information at fairwork.gov.au/newsroom/news/15-per-cent-wage-increase-aged-care-sector</p> <p>2. Changes to Supported Employment Services Award There are changes to:</p> <ul style="list-style-type: none"> • minimum rates • classifications • supported wage assessments. <p>Read more at fairwork.gov.au/ses-changes</p>
1 July 2023	<p>1. Minimum wage increase National minimum wage increases to \$882.80 per week or \$23.23 per hour. Minimum wages under awards increase by 5.75%. Go to fairwork.gov.au/awr-2023</p> <p>2. Increase to superannuation guarantee The superannuation guarantee increases to 11%. Go to fairwork.gov.au/awr-2023</p> <p>3. New monetary cap for small claims court The monetary cap for small claims court increases to \$100,000. Find out more: fairwork.gov.au/sjbp</p> <p>4. Unpaid parental leave changes From 1 July 2023, the Fair Work Act will include greater flexibility for employees when taking unpaid parental leave. For more information, go to fairwork.gov.au/pwe</p> <p>5. Paid parental leave changes The current entitlement to 18 weeks' paid parental leave pay will be combined with the current Dad and Partner Pay entitlement to 2 weeks' pay. Understand what applies at fairwork.gov.au/changes-to-ppl</p>
1 August 2023	<p>Paid family and domestic violence leave Employees of small business employers can access 10 days of paid family and domestic violence leave in a 12-month period. Read more at fairwork.gov.au/new-fdvl</p>
6 December 2023	<p>Limits to fixed contracts Limits to fixed term contracts, with requirements for employers to issue employees the new Fixed Term Contract Information Statement. Check out fairwork.gov.au/sjbp for more information.</p>
30 December 2023	<p>Authorised employee deductions Employees will be able to authorise salary deductions made by their employer that are recurring and for amounts that vary from time to time. For more information, go to fairwork.gov.au/pwe</p>

Source: [Fair Work Ombudsman](#)

Employee Entitlements and Protections

Employees in Australia have entitlements and protections at work, under:

 Fair Work Laws	 Awards	 Enterprise Agreements	 Employment Contracts
<ul style="list-style-type: none"> Set minimum entitlements for all employees Includes the National Employment Standards 	<ul style="list-style-type: none"> Set minimum pay and conditions for an industry or occupation Cover most employees in Australia 	<ul style="list-style-type: none"> Set minimum pay and conditions for a particular workplace Negotiated and approved through a formal process 	<ul style="list-style-type: none"> Provide additional conditions for an individual employee Can't reduce or remove minimum entitlements

The **National Minimum Wage** applies to employees not covered by an award or registered agreement. This is the minimum pay rate provided by the Fair Work Act 2009 and is reviewed each year. As of 1 July 2024, the National Minimum Wage is \$24.10 per hour or \$915.90 per week.

National Employment Standards

The National Employment Standards (NES) are minimum entitlements that apply to all employees. NES entitlements include the right to be given certain information statements. Employees have the right to request flexible working arrangements, and to get superannuation contributions from employers.

The table below summarises other NES entitlements, rules and exclusions that apply. Awards or agreements may provide more.

	Full-time and part-time employees	Casual employees
Annual leave	 4 weeks paid leave each year. Part-time employees get a pro-rata amount. Eligible shift workers get 1 extra week.	 No entitlement to paid annual leave.
Personal leave (Sick or carer's leave)	 10 days paid leave each year. Part-time employees get a pro-rata amount.	 No entitlement to paid personal leave.
Carer's leave	 If all paid personal leave has been used, employees can take 2 days of unpaid leave on each permissible occasion.	 2 days unpaid leave on each permissible occasion.
Compassionate leave	 2 days paid leave on each permissible occasion.	 2 days unpaid leave on each permissible occasion.
Family and domestic violence leave	 10 days paid leave each year.	 10 days paid leave each year.

	Full-time and part-time employees	Casual employees
Community service leave <ul style="list-style-type: none"> Jury duty Voluntary emergency management activities 	<ul style="list-style-type: none"> ✓ 10 days paid leave with make-up pay and unpaid leave as required for jury duty. ✓ Unpaid leave to engage in eligible community service. <p>This includes voluntary emergency management activities.</p>	<ul style="list-style-type: none"> ✓ Unpaid leave as required for jury duty. ✓ Unpaid leave to engage in eligible community service. This includes voluntary emergency management activities.
Long service leave	<ul style="list-style-type: none"> ✓ May be entitled to long service leave under the NES, an enterprise agreement, or under state or territory laws. Amount and eligibility rules vary. 	<ul style="list-style-type: none"> ✓ May be entitled to long service leave under the NES, an enterprise agreement, or under state or territory laws. Amount and eligibility rules vary.
Parental leave Eligible after 12 months of employment	<ul style="list-style-type: none"> ✓ 12 months unpaid leave. Can be extended up to 24 months with the employer's agreement. 	<ul style="list-style-type: none"> ✓ 12 months unpaid leave for regular and systematic casuals. Can be extended up to 24 months with the employer's agreement.
Maximum hours of work	<ul style="list-style-type: none"> ✓ Full-time employees – 38 hours each week plus reasonable additional hours. ✓ Part-time employees – 38 hours or the employee's ordinary weekly hours, whichever is less. They may work reasonable additional hours. 	<ul style="list-style-type: none"> ✓ 38 hours or the employee's ordinary weekly hours, whichever is less. They may work reasonable additional hours.
Public holidays	<ul style="list-style-type: none"> ✓ A paid day off if you'd normally work that day. If asked to work you can refuse, if it's reasonable to do so. 	<ul style="list-style-type: none"> ✓ An unpaid day off. If asked to work you can refuse, if it's reasonable to do so.
Notice of termination	<ul style="list-style-type: none"> ✓ 1 to 5 weeks' notice (or pay instead of notice) based on length of employment and age. 	<ul style="list-style-type: none"> ✗ No entitlement to notice of termination.
Redundancy pay Eligible after 12 months of employment	<ul style="list-style-type: none"> ✓ 4 to 16 weeks' pay based on length of employment. Some exclusions apply. 	<ul style="list-style-type: none"> ✗ No entitlement to redundancy pay.
Employee choice about casual employment	<ul style="list-style-type: none"> ✗ Not applicable. 	<ul style="list-style-type: none"> ✓ The right to notify an employer to change to full-time or part-time employment in some circumstances. Rules apply.

Employment Contract

An employment contract is an agreement between an employer and an employee that sets out the terms and conditions of employment. A contract can be in writing or verbal.

- Permanent Full Timers usually work an average of 38 hours each week, while Part Timers work on average less than 38 hours per week (work regular hours each week).
- Fixed term full time and part timers receive contracts of employment that terminate at the end of a set period. Effective from 6 December 2023, a fixed term contract can't be for longer than 2 years. This includes any extensions or renewals.
- Casual has no guaranteed hours of work (work irregular hours), they are not entitled to paid Personal or Annual leave.

Statutory Contributions

Statutory Contributions from Employer	Contributions from Employee
<ul style="list-style-type: none">• Superannuation (Social security) Currently 11.5% in FY24-25. It is a long-term saving designed to provide income in retirement. No official retirement age in Australia. Most funds allow employees to access superannuation investments without restriction when they reach the age of 65.• Workers Compensation Insurance Employers must have insurance to cover their workers in case they are injured because of work.• Payroll Tax Different per State (4.85% - 5.45%). Employers will have to pay payroll tax with a wage bill over the statutory threshold.	<ul style="list-style-type: none">• Income Tax PAYG When you're working as an employee, you must pay income tax on payments you receive from your employer. Your employer deducts tax from your pay and sends those amounts to the Australian Taxation Office (ATO).• Voluntary Superannuation The extra money you add into your super account. There are two types of voluntary contributions: Those made after tax from your take-home pay or other money you have, and salary sacrifice contributions made before tax.

Work Health and Safety

Work Health & Safety Act 2011 is effective on 1 January 2012. The main object of this Act is to protect workers and other people against harm to their HS&W through the elimination or minimisation of risks arising from work.

Workers compensation is a form of insurance payment to employees if they are injured at work or become sick due to their work. Employers in each state or territory have to take out workers' compensation insurance to cover themselves and their employees. Workers' compensation includes payments to employees to cover their:

- wages while they're not fit for work
- medical expenses and rehabilitation

Duties of a PCBU

A person conducting a business or undertaking (PCBU) has a primary duty of care to ensure the health and safety of workers while they are at work in the business or undertaking and others who may be affected by the carrying out of work, such as visitors.

Worker duties

A worker is a person who carries out work for a small business or undertaking. The term 'work' is not defined in the model WHS laws and has its ordinary meaning. While at work, workers must take reasonable care for their health and safety, and that of others who may be affected by the worker's acts or omissions. A worker can be prosecuted for failing to comply with their duties.

Article contributed by

Clara Tang

HR Service Delivery Manager

E: clara.tang@biposervice.com

Around the World with BIPO

At BIPO, we are committed to facilitating international business growth. Here's a quick look at how we foster discussions with the business community, sharing our expertise at local events across the region!

To find out more about our events, follow us on [LinkedIn!](#)

Spain

6 Mar

Navigating the New Spanish Regulations with Laurent Sans, Monica Preciado & Belen Gorbea



Singapore

8-9 Mar

Mediacorp Career Forward 2025



20 Mar

Retail HR Salon



Australia

20 Mar

Australia's Labour Law & Employment Regulations with Clara Tang



South Africa

4-6 Mar

Africa Energy Indaba 2025



About BIPO

Established in 2010 and headquartered in Singapore, BIPO is a trusted provider of payroll and people solutions in **over 160 global markets**.

Our comprehensive HR offerings include **Human Capital Management solutions**, **Global Payroll Outsourcing**, and **Employer of Record services**, powered by our award-winning HR Management System and Athena BI (Business Intelligence) platform.

At BIPO, we deliver customised services and scalable tech-enabled solutions that automate processes, simplify workflows, and generate actionable insights.

Copyright © 2025 BIPO Service. All rights reserved.

Find out more



www.biposervice.com



www.facebook.com/biposvc



www.linkedin.com/company/bipo-svc



hello@biposervice.com

