



Australian Road Transport
Industrial Organisation

ABN: 63 734 697 902

AUSTRALIAN ROAD TRANSPORT INDUSTRIAL ORGANISATION

Respect, Respond and Represent

HOT TIPS FOR PAYROLL IN THE TRANSPORT INDUSTRY

When it comes to processing payroll, the devil is *always* in the detail. In this article, we address five common questions for payroll teams in transport.

Rounding Employees Clock-in/Clock-out Time

Q: Can I round an employee's clock-in time up or down, to the nearest 10 or 15 minutes for pay purposes?

The rule for rounding is not expressly dealt with in either of the road transport awards.¹ However, it is generally accepted practice that whatever rule you adopt, it must be applied both ways, and it must not be excessive.

That is, employers must not round time up or down by more than 15 minutes, and the rounding must go both up and down rather than only one way. Some organisations have 6 minute rounding, and others 10 minute rounding, any option is acceptable provided it goes both ways and doesn't exceed 15 minutes.

RDO Accrual on the Weekend

Q: If an employee ordinarily works Sunday, how does a rostered day off (RDO) accrue?

Where an employee ordinarily works weekends, for example Sunday through Thursday, RDOs are accrued using the same method as ordinarily applied for an employee working Monday to Friday. The employee should accrue an RDO based on the hours worked on the weekend day. Then, in the week they take the RDO, the employee should receive the same amount in their pay as if they had worked their usual working days that week.

Leave Accruals on WorkCover

Q: I have an employee on WorkCover, do they continue to accrue leave?

The answer to this question will vary from state to state. In Victoria:

- long service leave will continue to accrue;²
- annual leave will continue to accrue until an employee has been totally incapacitated for 52 weeks, in which case the situation may change;³ and
- personal leave (sick and carers leave) will not continue to accrue, unless there is a clause in an applicable enterprise agreement or contract which would provide otherwise.⁴

¹ Road Transport (Long Distance Operations) Award 2020 or Road Transport Award 2020.

² *Long Service Leave Act 2018* (Vic) s 12(1)(f).

³ See section 130 *Fair Work Act 2009* (Cth), and the [Fair Work Ombudsman Guidance](#).

⁴ See section 130 of the *Fair Work Act 2009* (Cth) and the [Fair Work Ombudsman guidance](#).

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Payment in Lieu of Notice

Q: An employee is about to be dismissed and we will be paying notice in lieu, when does the notice pay need to be paid?

If an employee is receiving a payment in lieu of their notice period, it is important to note that the payment must be paid on or before the termination date. Waiting until the next pay period to pay 'pay in lieu' is now considered a breach of the Fair Work Act.

This is due to a recent case (*Southern Migrant and Refugee Centre Inc v Shum* (No3)), where an employer was found to have breached section 117 of the *Fair Work Act 2009* (Cth) by paying the payment in lieu of notice 4 days *after* the termination meeting.

Breaks during Shift Work

Q: In the Road Transport and Distribution Award 2020 (RTD Award), the general break requirements and shift work break provisions are different. Which provisions apply for shift workers?

In the RTD Award 2020, clause 16.1 outlines meal break requirements, and then clause 22.9 outlines meal break requirements specific for shift workers. Effectively clause 22.9 replaces clause 16.1 when it comes to meal breaks for shift workers.

This means that a shift worker gets the same amount of breaks as a non shift worker, but their regular meal break is paid (whereas it would be unpaid for a non shift worker), and it is 20 minutes, rather than 30 minutes.

Note that when it comes to meal breaks where an employee is working overtime, clause 16.2 applies the same to both non-shift workers and shift workers.

If you have any questions about how these tips apply in your workplace, your membership entitles you to complimentary initial advice from our workplace relations advisors: Rigby Cooke Lawyers. Please contact Victoria Comino on vcomino@rigbycooke.com.au and she will be pleased to assist.