

Annualised Salary/Wage Checklist

If you answered yes to the above questions, you need to:

Action	Date completed
Confirm the details of all employees employed under a specified award who you pay (or	
wish to pay) an annualised salary or wage	
Confirm that you have these employees classified under the correct award	
Review the specific detail for the appropriate award to check if the award classification	
and status of the employee apply – details included below	
Review the specific detail for the appropriate award to check what can and can't be	
included in an annualised wage arrangement- details included below	
Analyse these employees' salaries to determine what is and isn't included in their annual	
amount	
Create an annualised salary agreement with the employee which covers the following:	
The employer and employees' details	
The annualised salary or wage to be paid	
What this salary/wage covers (e.g. overtime, allowances, loadings)	
How the salary/wage was calculated	
Any assumptions in the calculation	
The outer limits of hours that are expected to be worked	
Sign off from employer and employee	
Start to keep a record of start times, finish times and unpaid break times for the	
effected employees	
Create a system for these records to be signed or acknowledged by the employee each	
pay period or roster cycle	
Conduct a reconciliation every 12 months, on termination of employment or on	
termination of the agreement to ensure correct amounts have been paid	
Pay any discrepancies within 14 days of reconciliation	

If during the course of a pay cycle an employee works in excess of the outer limits of hours defined in the agreement, then additional payments must be made. The general intent of this legislation is that employees can be no worse off under an annualised agreement than they would have been if they were paid as per the award.

Once agreements are made between employers and employees they can terminated through mutual agreement or by either party giving 12 months' notice.