

PAYROLL COMPLIANCE CHECKLIST

A Practical Self-Assessment for Australian Employers

Before you begin: This checklist is designed to help employers complete a *basic* review of their payroll arrangements using publicly available information. It is not a substitute for professional advice or a payroll audit.

STEP 1

Identify the Correct Modern Award

- ☐ Have you identified whether your business is covered by a Modern Award?
- ☐ If yes, have you located the correct Modern Award using the Fair Work Ombudsman's A-Z List of Awards?
- ☐ Have you reviewed Clause 4 (Coverage) to confirm the Award applies to your industry and your employees?
- ☐ Have you checked whether any employees may be Award-free?

Fair Work Resource: [A-Z List of Modern Awards](#)

STEP 2

Check Employee Classifications

- ☐ Have you identified the correct classification level for each employee?
- ☐ Have you reviewed the classification definitions (usually found in Schedule A of the Award)?
- ☐ Do each employee's duties match their classification level?
- ☐ Have employee duties changed since they were first employed?

STEP 3

Review Pay Rates

- ☐ Have current minimum pay rates been applied?
- ☐ Have Annual Wage Review increases been implemented – generally from 1 July annually?
- ☐ Have salaried employees been assessed (at least annually) to ensure they receive at least their minimum Award entitlements?

STEP 4

Review Hours of Work

- ☐ Are ordinary hours of work being applied correctly?
- ☐ Have you reviewed Award provisions relating to:
 - ☐ Ordinary hours
 - ☐ Breaks
 - ☐ Rosters
 - ☐ Span of hours

PAYROLL COMPLIANCE CHECKLIST



A Practical Self-Assessment for Australian Employers

Before you begin: This checklist is designed to help employers complete a *basic* review of their payroll arrangements using publicly available information. It is not a substitute for professional advice or a payroll audit.

STEP 5

Overtime & Penalty Rates

- ☐ Have overtime provisions been reviewed?
- ☐ Are evening and weekend penalty rates being applied where required?
- ☐ Are public holiday payments correct?
- ☐ Have shift penalties been considered (where applicable)?

STEP 6

Allowances

Have you checked whether employees may be entitled to:

- ☐ Meal allowance
- ☐ Travel allowance
- ☐ Vehicle allowance
- ☐ Tool allowance
- ☐ Uniform allowance
- ☐ First Aid allowance
- ☐ Higher Duties allowance
- ☐ Other Award-specific allowances

STEP 7

Leave Entitlements

Are all paid leave entitlements accruing accurately for all full and part time employees?

- ☐ Annual Leave
- ☐ Personal / Carer's Leave
- ☐ Long Service Leave – for casual employees too

Are other paid leave entitlements that do not need an accrual being paid correctly?

- ☐ Compassionate Leave
- ☐ Family & Domestic Violence Leave
- ☐ Public Holidays

Do you know how to account for unpaid leave?

- ☐ Parental Leave

PAYROLL COMPLIANCE CHECKLIST

A Practical Self-Assessment for Australian Employers

Before you begin: This checklist is designed to help employers complete a *basic* review of their payroll arrangements using publicly available information. It is not a substitute for professional advice or a payroll audit.

STEP 8

Superannuation

- ☐ Are Superannuation Guarantee contributions being paid correctly?
- ☐ Are contributions being paid on time?

STEP 9

Employment Documentation

- ☐ Does every employee have a current employment contract?
- ☐ Does each employee have a current position description?
- ☐ Have employees received the required Fair Work Information Statement?
- ☐ Have Casual Employees received the Casual Employment Information Statement (where applicable)?
- ☐ Have Fixed Term Employees received the Fixed Term Employment Information Statement (where applicable)?

STEP 10

Other Employment Conditions

Remember that a Modern Award covers far more than minimum rates of pay.

Consider whether you've reviewed Award provisions relating to:

- | | |
|--|--|
| ☐ Types of employment – full time, part time and casual | ☐ Annual leave loading |
| ☐ Consultation requirements | ☐ Notice of termination |
| ☐ Flexible working arrangements | ☐ Cashing out of leave |
| ☐ Breaks and meal periods | ☐ Redundancy provisions |
| ☐ Rostering arrangements | ☐ Record keeping requirements |
| ☐ Time off instead of overtime (where applicable) | |

PAYROLL COMPLIANCE CHECKLIST



A Practical Self-Assessment for Australian Employers

Before you begin: This checklist is designed to help employers complete a *basic* review of their payroll arrangements using publicly available information. It is not a substitute for professional advice or a payroll audit.

Helpful Fair Work Resources (links)

- [Fair Work Ombudsman – A-Z List of Modern Awards](#)
- [Fair Work Ombudsman – Pay & Wages](#)
- [Fair Work Ombudsman – Pay Calculator](#)
- [Fair Work Ombudsman – National Employment Standards \(NES\)](#)

What Now... Not Sure?

If you've answered "No" or "I'm not sure" to any of the questions above, it may be time to undertake a comprehensive Payroll Audit. The Proven Group provides independent Payroll Audits to help businesses review Modern Award coverage, employee classifications, pay rates, employment conditions and payroll compliance, giving employers confidence that their payroll practices align with current workplace obligations.

Book a personal consultation

DISCLAIMER

This checklist has been prepared as a general guide using publicly available information available at the date of publication. It does not constitute legal, industrial relations or professional advice and should not be relied upon as such. Employment obligations vary depending on the applicable legislation, Modern Award, Enterprise Agreement and the specific circumstances of each workplace. While every effort has been made to ensure the information is accurate, Proven Business Results Pty Ltd T/A The Proven Group, its directors, employees and representatives accept no responsibility or liability for any loss, damage or consequences arising from the use of, or reliance upon, this checklist. Employers should obtain professional advice before making employment or payroll decisions.