



## Changes to state employment laws in WA

# Employment entitlements for employees paid wholly by piece rates

June 2022

Minimum employment entitlements have been extended to state industrial relations system employees who are paid wholly by piece rates.

This change was introduced by the *Industrial Relations Legislation Amendment Act 2021* and commenced on 20 June 2022.

Previously, employees in the state industrial relations system who were paid wholly by piece rates ('piece rate employees') were excluded from the definition of 'employee' in the *Minimum Conditions of Employment Act 1993* (MCE Act). Piece rate employees are employees paid 'by the piece'. For example, piece rate employees might be paid a rate based on the amount of fruit they pick, pack, or prune.

This exclusion meant that piece rate employees were not entitled to the state minimum wage and other minimum conditions of employment provided in the MCE Act.

The definition of employee in the MCE Act has been amended and from 20 June 2022 piece rate employees are now covered by that Act.

Piece rate employees were not previously excluded from the *Industrial Relations Act 1979* (IR Act) and some piece rate employees may currently be covered by a WA award. The employment conditions of these employees will not change.

Piece rate employees were also not previously excluded from the *Long Service Leave Act 1958* (LSL Act).

### State employment laws have changed

This fact sheet is part of a suite of information on the changes to state employment laws that commenced on 20 June 2022. For details on the changes visit [www.dmirs.wa.gov.au/new-employment-laws](http://www.dmirs.wa.gov.au/new-employment-laws).

## Employment entitlements

Piece rate employees are now entitled to minimum conditions under the MCE Act including the:

- minimum wage;
- annual leave, personal leave, bereavement leave and family and domestic violence leave;<sup>1</sup> and
- provisions relating to public holidays, reasonable hours of work, authorised deductions from pay, and unreasonable requirements to spend or pay money to an employer.

Wageline's **Award free minimum pay rates and entitlements summary** at [www.dmirs.wa.gov.au/awardfree](http://www.dmirs.wa.gov.au/awardfree) provides the current minimum rates of pay and an overview of key employment entitlements for award free employees, including entitlements under the MCE Act and the LSL Act, as well as the record keeping obligations of employers.

More information about each of the minimum conditions of employment is available on the Wageline website at [www.dmirs.wa.gov.au/wageline](http://www.dmirs.wa.gov.au/wageline).

## Unchanged employee entitlements and employer obligations

There are a range of existing entitlements which continue to apply to piece rate employees under state and federal employment laws.

### State legislation

Piece rate employees are entitled to long service leave under the LSL Act and employers must keep employment records in accordance with the LSL Act. Visit [www.dmirs.wa.gov.au/longserviceleave](http://www.dmirs.wa.gov.au/longserviceleave) for information.

Piece rate employees can make an unfair dismissal or denial of contractual benefit claim to the Western Australian Industrial Relations Commission.

Piece rate employees are covered by the *Workers' Compensation and Injury Management Act 1981* and the *Work Health and Safety Act 2020*.

### Federal legislation

Under the federal *Fair Work Act 2009*, eligible state system piece rate employees are entitled to:

- unpaid parental leave;
- notice of termination; and
- protection from unlawful termination.

Visit the Fair Work Ombudsman website at [www.fairwork.gov.au](http://www.fairwork.gov.au) for information on these topics.

## Disclaimer

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<sup>1</sup> The leave an employee is entitled to will depend on whether they are a full time, part time, or casual employee. Casual employees are not entitled to annual leave or paid personal leave. Unpaid family and domestic violence leave is a new entitlement.