

NES and Modern Awards Risk Checklist – Don't get Caught Out!

Below is a sample of some of your NES & Modern Awards risks. In the box place a **Y/N** answer to measure if you are at risk.

National Employment Standards (NES)

- Came into effect from January 1st 2010
- There are ten minimum standards of employment
- All businesses in Victoria, the ACT and the Northern Territory are bound by these laws
 - Plus all other businesses in the National Employer System
- These minimum conditions cannot be altered to the disadvantage of the employee
- Failure to comply with the NES can lead to substantial financial penalties

Your NES Check

- Are you up to date with the latest on employment conditions for new and existing staff?
- Do you know if you are compliant or maximising the changes? (i.e. 38 hour week clauses).
- Have you reviewed all your employee contracts?
- Have you reviewed and updated your Employee Manual?
- Are your managers trained on the new minimum working conditions?
- Have you reviewed workplace policies and amended as necessary?
- Do you have a clear strategy of communication in place?
- Are your recruitment procedures updated?
- Have you assessed the financial impact of the leave provisions in the NES?
- Do you have a policy in place for employees cashing out their leave entitlements?
- Do you have a policy in place requiring the taking of annual leave by a certain date?
- Have you updated your redundancy policy to include the new redundancy pay period provisions?
- How do you deal with requests for flexible working arrangements?
- How do you deal with requests for an extension of the unpaid parental leave?
- Do you fall into the definition of a small business according to the Fair Work Act?
- Do you have a copy of the Fair Work Information Statement for distribution to new employees?

Modern Awards

- Came into effect from January 1st 2010
- Are a set of minimum conditions for employers and employees across Australia who work in the same industries or occupations
- Modern Awards replace
 - federal (pre-reform) awards (except those applying to a single enterprise)
 - notional agreements preserving state awards (NAPSAs)
 - state reference transitional awards
- Modern Award wages start on January 1st 2010 (where the modern award contains no transitional provisions)
- Transitional provisions in most awards mean that rates of pay and other conditions do not come into force until July 1st 2010 and may be phased in over 5 annual instalments
- Over 4000 existing State and Federal awards will be replaced by approximately 130 Modern Awards

Your Modern Awards Check

- Have you identified all the various occupational groups within your business?
- Have you identified which modern award will apply – occupational or industry?
- Have you prepared a policy and documentation to enable undertakings to be given as a part of a guarantee of earnings?
- Do you know which high earning employees are likely to be covered by a modern award?
- Will any of your employees be covered by an award for the first time?
- Have you assessed the financial and operational impacts of the Modern Awards on your business?
- Do you have a strategy for reviewing or developing an enterprise agreement?
- Have you considered updating job descriptions?
- Are you reviewing communications strategies, recruitment strategies and workplace policies?
- Have you assessed each applicable Modern Award for potential award flexibility provisions?

Contact HR2You and get the help you need today!