



AUSTRALIA



Hire international talent in **Australia**



EMERALDTECHNOLOGY



Employment details in Australia

To start growing your team in Australia, you must establish a local entity, including an account with a local bank, a local office and an address registered as a subsidiary. This allows you to manage payroll, tax, benefits and compliance for your employees, but can take several months.

Emerald Technology can hire and payroll your workers, quickly and compliantly with their ready to go entity. So no more worrying about compliantly managing your international payroll. We handle everything in over 150 countries.

Make growing your team simple with Emerald as a global partner.



Currency

Australian Dollar (AUD)



Employer Costs

Estimated 17% - 29% of employee's salary



Onboarding

48 hours with Emerald Technology



Payroll Cycle

Monthly



Employer Costs

| Cost | Rate |
|--------------------------------|--|
| Payroll Tax | 5.45% - 6.85% |
| Superannuation | 10% (11% from 1st July 2023) |
| Workers Compensation Insurance | 1% |
| GST | 10% (applicable if the service rendered by the worker anywhere in the labour hire chain is for the benefit of an Australian Organisation). |
| PI/PL | 0.5% |
| Work Health and Safety | 0.5% |
| Bank Charges | 0.15% |

Benefits

Mandatory

Australian employers are required to offer the following benefits to all full-time employees:

- Medicare
- Personal Leave (dependant on engagement structure)
- Superannuation (dependant on engagement structure)
- Workers Compensation Insurance

Additional

Some employers like to offer additional benefits to improve employee retention and satisfaction.

- Healthcare
- Paid Parental Leave
- Life and Disability Insurance
- Stock options + bonus



Employment

Contract

Contracts in Australia must include:

- Role and Responsibilities
- Start Date
- Working hours
- Annual Salary
- Pay Schedule
- Leave entitlement
- Notice Period
- Termination
- Bonus
- Superannuation entitlement

Probation Period

A probation period allows both an employer and employee to evaluate the employment match. The probation period is typically between 3 to 6 months.

Emerald Technology can create a compliant contract in Australia in 24 hours.



Insurance

Healthcare

Whilst Australia does not have a social security system, a Medicare Levy of 2% of taxable income is payable by resident individuals for health services (provided that they qualify for Medicare services). An exemption from the Medicare Levy may apply if the individual is from a country that has not entered into a Reciprocal Health Care Agreement with Australia.

High income resident tax payers who do not have adequate private health insurance may be subject to an additional 1-1.5% Medicare Levy surcharge. High-income taxpayers whose private hospital insurance carries an excess payment

(amount for which the insured is responsible before the insurance begins to pay) of more than AUD 500 for single individuals or AUD 1,000 for couples or families are also subject to the Medicare Levy surcharge.

Superannuation

Australia also has a compulsory private superannuation (pension) contribution system. Under this system, employers must contribute a minimum percentage of the employee's ordinary time earnings (OTE) base to a complying superannuation fund for the retirement benefit of its employees. The minimum percentage is currently 10.5% (as of July 2022).

Social Security

There is no Social Security in Australia.

Leave Policy

Maternity Leave

Expectant mothers are entitled to 52 weeks of unpaid parental leave, and may also request an additional 52 weeks of leave. Pregnant employees can begin leave up to six weeks before their due date (from week 34 of the pregnancy). Expectant mothers are entitled to 18 weeks of paid leave.

Paternity Leave

Fathers that have workers for 12 months and contributed to social security are entitled to 2 weeks paid paternity leave. They are also entitled to 52 unpaid parental leave - although only 8 weeks can be taken together.

Sickness Leave

Full-time employees are entitled to 10 days of sick or carer's leave each year. The balance of leave you accrue each year can be carried over into the next year. Part-time employees receive a pro-rata entitlement.

Emerald Technology can onboard employees in Australia within 48 hours.



Onboarding

Details

As the legal employer, Emerald Technology requires the following employee documents to ensure complete compliance:

- Signed contract
- All payroll and engagement documents

Resignation and Dismissal

Details

When an employer dismisses an employee it must be with just cause and they must give them notice. The notice period starts from the day after the employer notifies the employee of the termination. Notice must be given in accordance with the following schedule at a minimum:

| Period | Notice |
|-------------------|---------|
| Less than a year | 1 week |
| 1 year - 3 years | 2 weeks |
| 3 years - 5 years | 3 weeks |
| 5+ years | 4 weeks |

Severance

If an employee is made redundant, they are entitled to a payment based on years of continuous service, in accordance with the following schedule:

| Period | Notice |
|-------------------|---------|
| 1 year - 2 years | 4 weeks |
| 2 years - 3 years | 6 weeks |



| | |
|-------------------|----------|
| 3 years - 4 years | 7 weeks |
| 4 years - 5 years | 8 weeks |
| 5 years - 6 years | 10 weeks |
| 6 years - 7 years | 11 weeks |
| 7 years - 8 years | 13 weeks |
| 8 years - 9 years | 14 weeks |
| 10+ years | 16 weeks |

Statutory Time Off

Annual Leave

All full-time workers in Australia are guaranteed a minimum of 4 weeks' paid annual leave.

Public Holidays

Australia has 7 public holidays:

- New Year's Day
- Australia Day
- Good Friday
- Easter Monday
- Anzac Day
- Christmas Day
- Boxing Day

Work, Pay and Taxes

Minimum Wage

The national pre-tax minimum wage in Australia is \$21.38 per hour (\$812.60 per 38 hour weeks). Casual employees covered by the national minimum wage also receive a 'casual loading' of at least 25%.

Ready to expand your workforce to Australia?

Book a free consultation with our experts today, [click here](#).



Working Time and Overtime

The standard working week in Australia is 38 hours per week (7.6 hours per day), usually worked Monday to Friday.

All time worked beyond 38 hours per week is classed as overtime and, in most cases, attracts a premium of 1.5x the ordinary rate of pay for the first 3 hours and double time thereafter.

Bonus

Salary payments in Australia are usually paid in 12 monthly instalments. Employees must be given a payslip within 1 working day of being paid.

Salary Payments

Employers are not required to provide employees a bonus. Any bonuses offered are at the employer's discretion.

Income Tax

The Australian Individual Income tax ranges from 0% - 45%

| Salary | Tax Percentage |
|-----------------------|-----------------------|
| \$0 - \$18,200 | 0% |
| \$18,201 - \$45,000 | 19% |
| \$45,001 - \$120,000 | 32.5% |
| \$120,001 - \$180,000 | 37% |
| \$180,000+ | 45% |

Discover how Emerald Technology can grow your international workforce risk-free.

Emerald is a global expansion partner, supporting B2B tech companies hire, onboard and payroll remotely across 150 countries. Handling local payroll, taxes, benefits and compliance in every region you want to expand your workforce.

Book a free consultation with our experts today, [click here.](#)

