

Human Resources Policy

Payment of salary, wages and payroll deductions

Policy Number: C13 (QH-POL-188)

Publication date: June 2020

Purpose: To outline arrangements for the payment of salaries and wages including payroll deductions.

Application: This policy applies to all Queensland Health employees.

This policy does not apply to employees working for the Queensland Ambulance Service. Instead, Queensland Ambulance Service employees are to refer to their local policy/procedure.

Delegation: The 'delegate' is as listed in the relevant Department of Health Human Resource (HR) Delegations Manual, or Hospital and Health Services Human Resource (HR) Delegations Manual, as amended from time to time.

Legislative or other authority:

- [Public Service Act 2008](#)
- [Public Service Regulation 2018](#)
- [Industrial Relations Act 2016](#)
- [PSC Directive 17/13 Pay Date for Employees of Queensland Health](#)

Related policy or documents:

- [Aggregate and concurrent employment HR Policy C47](#) (QH-POL-301)
- [Guideline for Management of aggregate and concurrent employment](#) (QH-GDL-301-1)
- Forms older than three months processing guideline

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1 Payment of salary and wages

The Queensland Health fortnightly pay period commences on a Monday and concludes on the Sunday, i.e. 14 calendar days following.

The PSC Directive 17/13 Pay Date for Employees of Queensland Health prescribes that the pay date for employees of Queensland Health will be no later than ten calendar days after the completion of the fortnightly pay period.

2 Payroll deductions

The provision of automatic payroll deductions through the fortnightly pay run process exists to meet legislative requirements such as taxation and superannuation payments and to provide a service to Queensland Health employees for the payment of deductions which provide a direct benefit to the health system.

This policy establishes the standard within Queensland Health for managing requests for fortnightly payroll deductions on the payroll system. It also describes the framework in which operational principles are to be applied to ensure that a fair, equitable and practical approach is adopted in processing deductions through the payroll system. The cost implications associated with establishing, processing and maintaining payroll deductions have been considered in developing the principles.

Human Resources Branch, Department of Health may cease a payroll deduction at any time if the principles as outlined in Attachment One are not met.

2.1 Deductions from an employee's pay

Payroll deductions are initiated through a deduction authority form, for payroll purposes, which is managed and provided by the Deduction Authority provider i.e. the entity who is responsible for the deduction.

By completing the relevant deduction authority in writing and submitting to Payroll Services, the employee agrees to all terms and conditions associated with that deduction.

All deductions will be post-tax unless arranged through an approved salary packaging provider to be pre-tax.

2.2 Deduction Authority responsibilities

The responsibilities of the Deduction Authority include:

- Provision of a deduction authority form for employees to complete and authorise.
- Responsibility for refunds to employees.
- Requirement to provide a valid government/official business email address (not a personal email address).
- Maintenance of their ABN and vendor details at all times and report any changes, i.e. cancellation and/or changes to the bank account funds are deposited into.

- Regular monitoring to ensure the minimum number of employees and/or the total value contributing fortnightly payroll deductions to the authority is maintained.
- Provision of sufficient notice, as agreed to on the deduction authority form, of any change to an employee's fortnightly deduction value, or to cease the deduction.

2.3 Creation of a new payroll deduction

When seeking the initiation of a new payroll deduction, attempts must have been made to use all other avenues available including direct debit, credit card or bank transfer between an employee and the Deduction Authority.

In the event where direct debit, credit card or bank transfer is not available, requests for the creation of a new payroll deduction must be in writing and submitted by the local HR team, who will ensure compliance with this policy, and progress to Human Resources Branch, Department of Health. Requests must include supporting documentation in line with the principles outlined in Attachment One.

All new payroll deductions will be considered as post-tax, unless arranged through an approved salary packaging provider to be pre-tax.

2.4 Maintenance of current approved payroll deductions

If the number of employees or total fortnightly deduction value drops below the minimum requirements as outlined in Attachment One, section 3 Additional criteria, the Deduction Authority will have a grace period of four weeks to increase either employee numbers and/or fortnightly value prior to the ceasing of this arrangement by Queensland Health. The Human Resources Branch, Department of Health will perform quarterly reviews to ensure compliance is met by the Deduction Authority.

3 Aggregate and concurrent employment arrangements

Employees who work simultaneously in multiple engagements across Queensland Health, i.e. aggregate or concurrent employment arrangements, are to refer to the Guideline for Management of aggregate and concurrent employment for details regarding the processing of salary, wages and payroll deductions.

4 Payroll forms

A daily staffing variance form (DSVF) or attendance variation and allowance claim (AVAC) form is to be completed and submitted to Payroll Services immediately advising roster changes. The appropriate delegate is required to approve the DSVF or AVAC.

Any leave type taken for a period of less than five working days that does not require supplementary documentation (e.g. a medical certificate) to be submitted to Payroll Services, may be submitted on an AVAC or included as part of a non-cyclic roster approved by the appropriate delegate on a daily basis.

Periods of leave (e.g. annual leave, long service leave) which are five days or more and do not require supplementary documentation may be included as part of the non-cyclic roster or submitted to Payroll Services on a leave application form (PARIS).

Where the period of absence requires the production of supplementary documentation under the relevant industrial provision (e.g. a medical certificate), the following is to apply on the basis the

delegate has been or will be provided with required documentation to support the leave being taken:

- an AVAC form for periods of less than five working days
or
- a leave application form (PARIS) for periods of leave which are five days or more.

4.1 Payroll forms older than three months

Payroll Services provide calendars that specify roster cut-off dates and times for each pay fortnight. All payroll forms, e.g. DSVF, AVAC forms, leave applications, employee movements, etc., are to be completed and submitted to Payroll Services in a timely manner.

Other than in exceptional circumstances, payroll forms older than three months which will instigate a financial impact on the organisation will not be accepted by Payroll Services, unless specified elsewhere (e.g. in a directive).

Payroll forms, e.g. leave, allowances, etc., older than three months must be authorised by the appropriate delegate before processing by Payroll Services will occur (refer to the relevant HR Delegations Manual). Where there are exceptional circumstances for the submission of late forms, the Validation of claims older than 3 months form must be completed and authorised by the relevant HR delegate and is to be submitted with the payroll form for processing.

5 Ad hoc payment processing

Payment of salaries and wages will be made through the standard fortnightly pay process and schedule unless there are exceptional circumstances. Where exceptional circumstances exist, an ad hoc payment may be processed by Payroll Services.

6 Recovery of unpaid wages

Employees are to advise their line manager or local Payroll team regarding incorrect wage payments in the first instance.

The *Industrial Relations Act 2016*, sections 475-476, provides that an employee may make application through the Queensland Industrial Relations Commission to seek payment of unpaid wages within six years after the amount claimed became payable.

7 Conversion of annual amounts to fortnightly equivalents

Annual salaries are included in Awards for information purposes only. Payment is to be made in accordance with the fortnightly salaries shown.

Annual allowances are converted to a fortnightly equivalent by dividing the amount by 26.0892857142.

Definitions:

Deduction Authority	The Deduction Authority is the organisation or group responsible for the management of facilitating deductions for employees through the Payroll system e.g. hospital foundation, health insurance company.
Deduction authority form	The form developed and maintained by the Deduction Authority to enable allowable deductions to occur.

History:

June 2020	<ul style="list-style-type: none"> Policy application amended as a result of changes to the Hospital and Health Boards (Changes to Prescribed Services) Amendment Regulation 2019.
June 2019	<ul style="list-style-type: none"> Policy formatted as part of the HR Policy review Policy amended to: <ul style="list-style-type: none"> – update references and naming conventions – include reference to aggregate and concurrent employment arrangements – clarify pay period and pay day – clarify recovery of unpaid wages timeframe – move information regarding use of attendance variation and allowance claim forms from Attachment One to the body of the policy – clarify the requirement for the delegate to have received appropriate supplementary documentation (e.g. medical certificate) when leave is included on an AVAC (section 4) – include payroll deductions governance and operating principles as outlined in Attachment One.
May 2014	<ul style="list-style-type: none"> Policy reviewed as part of the Queensland Ambulance Service (QAS) HR Policy Integration project. Policy not applicable to QAS employees.
September 2013	<ul style="list-style-type: none"> Policy formatted as part of the HR Policy Simplification project. Deletion of clause 7.2 Payroll Deductions – Union Fees/Subscriptions in line with amendments to the <i>Industrial Relations Act 1999</i>.
February 2013	<ul style="list-style-type: none"> Amended section 7.3 to include other types of leave that require supplementary documentation.
October 2012	<ul style="list-style-type: none"> Amended to add sections 7.3, 7.4 and 7.5 to reflect changes to payroll processing requirements. Amended to update references.
July 2008	<ul style="list-style-type: none"> Amended to reflect <i>Public Service Act 2008</i>
June 2008	<ul style="list-style-type: none"> Developed as a result of the HR Policy Consolidation Project
Previous	<ul style="list-style-type: none"> IRM 5.2 Conversions of Annual Amounts to Fortnightly Equivalents IRM 5.3 Payroll Deductions – Union Fees/Subscriptions

Attachment One – Payroll deduction operating principles

Currently each Hospital and Health Service (HHS) and the Department of Health assess requests to establish deductions through the payroll system in isolation of each other.

The responsibility to approve the requested deduction lies with the Human Resources Branch, Department of Health with the endorsement from the Executive Director of Workforce within the relevant HHS or Department.

The criteria for progressing a request for a new payroll deduction through the payroll system varies across Queensland Health. Adopting a single standard will ensure a fair, equitable and practical approach for all requests submitted.

The following operating principles are provided to assist in the assessment to progress requests for new payroll deductions and the ongoing maintenance of existing payroll deductions.

1 Operating principles

- Evidence is to be provided confirming the ability to facilitate payments between an employee and the Deduction Authority is not available through direct debit, credit card or bank transfer.
- The minimum number of employees and fortnightly value must be maintained for the payroll deduction to ensure its continuation (refer section 3 of this Attachment).
- Deductions must be post-tax unless they are part of the approved salary packaging arrangements.
- Queensland Health does not accept responsibility for payments falling into arrears due to an employee being absent without pay for any reason.
- A fortnightly report of employee payroll deductions will be automatically provided to the Deduction Authority approved Queensland Health or Government (local, state or federal) email account.
- A commission may be charged and paid to the collections account for Queensland Health. The commission determined by Queensland Health is to be agreed to by the Deduction Authority prior to the deduction being progressed. The commission rate may be reviewed at any time however a notice of at least four (4) weeks will be given to the Deduction Authority prior to the rate change.
- Deduction Authorities have the right to change the standard fortnightly value of the payroll deduction to meet annual fee increases, provided such right is stated on the deduction authority form signed by the employee.
- A Deduction Authority is to indicate its acceptance in writing of the above conditions prior to the request for automatic payroll deduction being progressed. It is the responsibility of the local HR team to undertake a review of the form to ensure its compliance.
- It is the Deduction Authority's responsibility to provide sufficient notice of any change to an employee's fortnightly deduction value, or to cease the deduction, as agreed to on the deduction authority form.

2 Allowable deductions

- Deductions which fall into the following acceptable categories will be progressed:
 - Legislative/statutory deductions (e.g. PAYG tax, superannuation, salary packaging, child support agency, garnishees)
 - Unions
 - Deductions associated with award provisions (e.g. rent, meals).

The additional criteria listed in section 3 of this Attachment are not required to be met for the above acceptable categories.

- Deductions which fall into the following acceptable categories will be progressed, subject to the additional criteria listed in section 3 of this Attachment also being met:
 - Charitable organisations associated directly with health issues
 - Professional societies
 - Car parking associated with revenue collected by the Queensland Health facility
 - Hospital child care services.

NB: Some deductions may be available through salary packaging arrangements. Employees are encouraged to seek independent financial advice.

- Deduction types which do not fall into the approved categories above will not be considered regardless of the number of employees requesting the deduction.

3 Additional criteria

- The minimum number of employees who have an active fortnightly payroll deduction record must be at least 50.
- The expected fortnightly value of the payroll deduction must be a minimum of \$250.
- A fixed, nominated fortnightly amount will be deducted only when the employee's fortnightly net pay is of sufficient value.
- All requests for an automatic payroll deduction are to be made using the relevant deduction authority form provided by the Deduction Authority provider. A single deduction authority form is to be completed and signed by each employee requesting this service.