

What To Include In Your Remuneration

The items listed on this page should be included on your 'declaration of rateable remuneration' form which is sent to you by your [WorkSafe Agent](#). To help you, the items have been grouped and labelled to correspond with this form.

Some payments to workers are not part of your payroll, however they must still be included in your calculation of rateable remuneration.

A. Salaries and wages

- Salaries
- Wages
- Gross pay before tax
- Allowances
- Annual leave payments (including leave loading)
- Long service leave
- Paid parental leave, when funded and paid by an employer
- Make-up pay
- Back pay
- Bonuses
- Directors' fees and all remuneration to directors or members of a governing body of a company
- Fees for work performed by a worker or deemed worker

B. Contractors

- Contract payments for labour only services
- Payment to contractors who are, or who supply, workers
- [Contractors and workers](#)

C. Fringe benefits

- [Calculating fringe benefits as part of your remuneration](#)

D. Superannuation

Many employers pay a higher amount of superannuation than the law requires. It is therefore necessary to include superannuation in the calculation of your remuneration, as this differs between employers.

Superannuation contributions include any contributions made by an employer to:

- A superannuation fund or scheme
- A superannuation guarantee charge
- Any other form of superannuation provident or retirement fund
- Defined benefit funds as required by actuarial determinations

E. Other

- Commission to insurance or part-time canvasser or collector
- Commission

Payroll tax

If you are also registered for payroll tax, there are a number of differences between the WorkSafe's definition of 'remuneration' and 'wages' used for payroll tax purposes.

- More information is available from the [State Revenue Office website](#)

Workers in other states or territories Do you have workers that work in more than one state or territory? Do you employ workers in other states or territories?

The guideline below can provide you with advice about your obligations

- [Where do I insure my Worker if they work in more than one State or Territory?](#)

What Is Exempt From Your Remuneration

The items listed on this page are exempt from the calculations when determining your rateable remuneration.

Motor vehicle allowance

A motor vehicle allowance is paid or payable to a worker for the use of their own vehicle for work purposes.

- For 2010/11, 2011/12 and 2012/13 the exempt amount is the number of business kilometres travelled multiplied by 75 cents
- For 2013/14 and 2014/15 the exempt amount is the number of business kilometres travelled multiplied by 77 cents

After determining what is exempt (as a dollar amount) subtract it from the amount of allowance paid to the worker. Any remainder is considered to be rateable remuneration and should be included in salaries and wages.

Accommodation allowance

Where an accommodation allowance extends beyond 30 continuous days, a worker must also be maintaining a personal domestic dwelling for their own use in order for the allowance to retain the exemption.

- For 2010/11 the exempt rate is \$227.35 per night
- For 2011/12 the exempt rate is \$238.10 per night
- For 2012/13 the exempt rate is \$248.25 per night
- For 2013/14 the exempt rate is \$250.85 per night
- For 2014/15 the exempt rate is \$253.25 per night

Any amount paid per night over the exempt rate is considered to be rateable remuneration and should be included in your determination of salaries and wages.

Apprentices or trainees

Some apprentice remuneration is exempt for WorkSafe insurance purposes.

- [Further information on apprentices and trainees](#)

Other exemptions

- Compensation payments to an injured worker
- Dividends paid to a shareholder - Also see [Dividends and Trust Distributions](#)
- When a partner makes a cash withdrawal of money received as an allowance
- Payments to the Construction Industry Long Service Leave Board and contributions to the Redundancy Payments Central Fund
- Government funded parental leave payments, passed on to workers by employers acting as Agents of the Government. For more information, please see the [Public Ruling- Parental leave payments](#)
- Termination payments (e.g. payments in lieu of notice, accrued holiday pay, long service leave or severance pay) made to a worker on cessation of employment.
Note: if the person resigns and works their 'notice' period, the payment for this period is not exempt remuneration

Apprentices And Trainees

If you employ apprentices and/or trainees

If you hire any apprentices and/or trainees – even if you only hire one – you must be registered for WorkSafe Insurance in place, regardless of the size of your rateable remuneration.

Some apprentice/trainee remuneration is exempt from WorkSafe Insurance and for that reason it is important that you are aware of certain restrictions and qualifications that apply.

Remuneration is exempt if the apprentice and/or trainee:

- is an apprentice or trainee within the meaning of the Education & Training Reform Act 2006; and
- has entered into an authorised training agreement with an employer; and
- has not worked for their current or a 'former employer' for the two year period prior to the commencement of the training agreement unless all the following conditions are met:
 - it was for no more than 12 months in total
 - it was for no more than 3 months full-time
 - if the person worked under a previous training agreement with their current or a 'former employer', then the gap between the current agreement and the previous agreement must be less than three months.

Apprentice and trainee remuneration is made exempt under Ministerial Declaration. This Declaration is available in the Government Gazette of 21 April 2005 (General Gazette 16), on page 778 www.gazette.vic.gov.au

Trainee remuneration threshold

A cap has been placed on trainee remuneration that means you can only claim an exemption for your trainee's remuneration if it is:

- \$36,070 or less in 2010/11;
- \$38,520 or less in 2011/12;
- \$39,870 or less in 2012/13;
- \$40,920 or less in 2013/14; or
- \$42,540 or less in 2014/15.

If your trainee's annualised remuneration was more than this amount none of their remuneration would be exempt.

If your trainee's annualised remuneration for 2013/14 was \$40,920 or less, all existing rules (noted previously) must still be met to claim an exemption.

This rule does not apply to apprentices you may engage, there is no exemption threshold on apprentice remuneration.

For a list of apprenticeship and traineeship qualifications that this relates to please visit the Department of Education website at www.education.vic.gov.au/training.

Further information

- [Determining your remuneration](#)