

Penalty rates & allowances

From 1 July 2019, some penalty rates in the Fast Food, Hospitality, Pharmacy and Retail awards have changed, following a Fair Work Commission decision in 2017.

Visit the [Penalty rates changes \(https://www.fairwork.gov.au/pay/penalty-rates-and-allowances/penalty-rates-changes-2017\)](https://www.fairwork.gov.au/pay/penalty-rates-and-allowances/penalty-rates-changes-2017) page for more information about what the changes are, who they affect and how they're being implemented.

Use our [Pay Calculator \(http://calculate.fairwork.gov.au/FindYourAward\)](http://calculate.fairwork.gov.au/FindYourAward) to calculate penalty rates and allowances in your industry.

You can also check out our [pay guides \(www.fairwork.gov.au/pay/minimum-wages/pay-guides\)](http://www.fairwork.gov.au/pay/minimum-wages/pay-guides) for pay rates, allowances and common penalties in your industry.

If you're covered by an enterprise agreement or other [registered agreement \(www.fairwork.gov.au/Dictionary.aspx?TermID=2034\)](http://www.fairwork.gov.au/Dictionary.aspx?TermID=2034), your penalty rates and allowances will be contained in your agreement. To find an agreement, go to the [Fair Work Commission website \(https://www.fwc.gov.au/awards-and-agreements/agreements\)](https://www.fwc.gov.au/awards-and-agreements/agreements).

Penalty rates

Employees often get a higher pay rate when working:

- weekends
- public holidays
- overtime
- late nights shifts or
- early morning shifts.

Allowances

Allowances are extra payments made to employees who:

- do certain tasks or have a particular skill
- use their own tools at work
- work in unpleasant or dangerous conditions.

Common allowances include:

- uniforms and special clothing
- tools and equipment
- travel and fares
- car and phone
- first-aid
- leading hand / supervisor
- industry of employment (eg. building and construction).

Find information about penalty rates and allowances in your award by selecting from the list below.

Workplace arrangements affecting penalty rates and allowances

There are some workplace arrangements that affect how penalty rates and allowances are paid. These include:

- [Salary payments \(www.fairwork.gov.au/Pay/Minimum-wages/salary-payments\)](http://www.fairwork.gov.au/Pay/Minimum-wages/salary-payments)
- [Employment contracts \(www.fairwork.gov.au/awards-and-agreements/employment-contracts\)](http://www.fairwork.gov.au/awards-and-agreements/employment-contracts)
- [Individual flexibility arrangements \(IFAs\) \(www.fairwork.gov.au/employee-entitlements/flexibility-in-the-workplace/individual-flexibility-arrangements\)](http://www.fairwork.gov.au/employee-entitlements/flexibility-in-the-workplace/individual-flexibility-arrangements)
- [a guarantee of annual earnings \(www.fairwork.gov.au/Dictionary.aspx?TermID=2047\)](http://www.fairwork.gov.au/Dictionary.aspx?TermID=2047).

The overall amount an employee is paid under one of these arrangements must be at least the same as the amount they would be

paid under their award.

The wages in IFAs, salary payments, employment contracts and guarantees of annual earnings have to offset other penalties and loadings in awards.

Think a mistake might have been made?

Mistakes can happen. The best way to fix them usually starts with talking.

Check out our [Help resolving workplace issues \(www.fairwork.gov.au/how-we-will-help/how-we-help-you/help-resolving-workplace-issues/default\)](http://www.fairwork.gov.au/how-we-will-help/how-we-help-you/help-resolving-workplace-issues/default) section for practical advice on:

- figuring out if a mistake has been made
- talking to your employer or employee about fixing it
- getting help from us if you can't resolve it.

Help for small business

- Find tools, resources and information you might need on our [Small business page \(www.fairwork.gov.au/Find-help-for/Small-business/default\)](http://www.fairwork.gov.au/Find-help-for/Small-business/default) .

You might also be interested in

- [Paying wages \(www.fairwork.gov.au/Pay/paying-wages\)](http://www.fairwork.gov.au/Pay/paying-wages)
- [Working on public holidays \(www.fairwork.gov.au/Leave/Public-holidays/working-on-public-holidays\)](http://www.fairwork.gov.au/Leave/Public-holidays/working-on-public-holidays)
- [When overtime applies \(www.fairwork.gov.au/Employee-entitlements/hours-of-work-breaks-and-rosters/Hours-of-work/when-over-time-applies\)](http://www.fairwork.gov.au/Employee-entitlements/hours-of-work-breaks-and-rosters/Hours-of-work/when-over-time-applies)
- [Pay slips and record-keeping overview \(www.fairwork.gov.au/Pay/pay-slips-and-record-keeping/default\)](http://www.fairwork.gov.au/Pay/pay-slips-and-record-keeping/default)

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Contact us

Fair Work Online: www.fairwork.gov.au

Fair Work Infoline: 13 13 94

Need language help?

Contact the Translating and Interpreting Service (TIS) on 13 14 50

Hearing & speech assistance

Call through the National Relay Service (NRS):

For TTY: 13 36 77. Ask for the Fair Work Infoline 13 13 94

Speak & Listen: 1300 555 727. Ask for the Fair Work Infoline 13 13 94

The Fair Work Ombudsman is committed to providing advice that you can rely on. The information contained on this website is general in nature. If you are unsure about how it applies to your situation you can call our Infoline on 13 13 94 or speak with a union, industry association or workplace relations professional. Visitors are warned that this site may inadvertently contain names or pictures of Aboriginal and Torres Strait Islander people who have recently died.