

HR Compliance Checklist

For Australian small businesses & not-for-profits — 2026 Edition

Use this checklist annually to identify any gaps in your HR compliance

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■ Use this checklist as an annual HR audit tool. Tick each item you have in place. Any unticked items represent a potential compliance gap — prioritise addressing these. If you are unsure about any item, seek advice before assuming you are compliant.

PAY & WAGES

- All employees are paid at least the correct Modern Award minimum rate for their classification
Use [calculate.fairwork.gov.au](https://www.fairwork.gov.au) to check. Rates increase every July.
- Penalty rates are applied correctly for weekends, public holidays and shift work
Check your applicable award for specific penalty rate requirements.
- Casual employees receive the correct casual loading (typically 25%)
- Payslips are issued within 1 working day of each pay period
Must include employer name/ABN, employee name, pay period, gross/net pay, hours, super, leave balances.
- Pay rates have been reviewed and updated following the July 2025 minimum wage increase
National minimum: \$24.10/hr from 1 July 2025.
- All employees are correctly classified — not misclassified as contractors
Sham contracting is illegal and penalties are significant.

SUPERANNUATION

- Super is being paid at 12% of ordinary time earnings for all eligible employees
Rate increased to 12% from 1 July 2025.
- Super is being paid on time — currently quarterly, moving to per payday from 1 July 2026
Quarterly due dates: 28 Oct, 28 Jan, 28 Apr, 28 Jul.
- Payroll software is being updated or confirmed as Payday Super ready (for 1 July 2026)
Check with your software provider now.
- If using ATO Small Business Clearing House — alternative clearing house has been arranged
SBSCH closes 1 July 2026.
- Super fund details are current and correct for all employees
Incorrect details lead to rejected payments and non-compliance.

EMPLOYMENT CONTRACTS & DOCUMENTS

- Every employee has a written employment contract
Must not provide less than NES and applicable award.
- Employment contracts have been reviewed against current NES and award requirements
Do this at least annually — law changes regularly.
- Every new employee was given the Fair Work Information Statement on commencement
Download fresh copy from [fairwork.gov.au](https://www.fairwork.gov.au) each time — do not use old versions.
- Every casual employee was given the Casual Employment Information Statement on commencement
Also re-issue at 3 months, 12 months and then annually.
- Every new employee completed a TFN Declaration and Super Standard Choice Form
- Employment contracts are stored securely and accessible for 7 years after employment ends

LEAVE ENTITLEMENTS

- Annual leave is accruing correctly for all full-time and part-time employees (4 weeks per year)
Accrues from day one. Pro-rated for part-time employees.

- Personal/carer's leave is accruing correctly (10 days per year for full-time)
- Employees have been informed of their 10 days paid Family and Domestic Violence Leave entitlement
Applies to all employees including casuals from February 2023.
- Leave balances are being tracked and reported on payslips
- Long service leave obligations have been checked against the relevant state/territory legislation
Varies significantly by state — check your state's LSL Act.

POLICIES & PROCEDURES

- A current WHS Policy is in place and has been communicated to all staff
- An Anti-Bullying, Harassment and Discrimination Policy is in place
Must reflect the positive duty to proactively prevent harassment.
- A Grievance and Complaints Procedure is documented and accessible to all staff
- A Code of Conduct is in place and signed by all employees
- A Performance Management Policy and process is documented
- A Social Media and Acceptable Use Policy is in place
- A Work From Home Policy is in place (if any employees work remotely)
Home becomes a workplace under WHS law — policy must address safety obligations.
- All policies have been reviewed in the past 12 months
Employment law changed significantly in 2024 and 2025 — old policies may be non-compliant.
- All employees have received, read and acknowledged key policies
Keep signed acknowledgement records.

RECORD KEEPING

- Employee records are kept for a minimum of 7 years
Includes pay records, hours, leave, super, signed documents and training records.
- Payslips are issued within 1 working day of each pay period and records are retained
- Records include hours worked for all employees (especially casuals and award-covered staff)
Critical in the event of a Fair Work investigation.
- WHS training records and incident reports are documented and stored
Most states require WHS records for at least 5 years.
- There is a process for securely storing and disposing of employee records
Privacy obligations apply to employee personal information.

CASUAL EMPLOYMENT

- Casual employment contracts reflect the new definition of casual employment (from August 2025 for small biz)
A casual must have no firm advance commitment to ongoing work at time of engagement.
- A process is in place to handle Employee Choice Pathway conversion requests
Must respond in writing within 21 days. Can only refuse on specific grounds.
- Regular casuals have been identified who may be eligible to request conversion
Small business: eligible after 12 months. 15+ employees: eligible after 6 months.

ENDING EMPLOYMENT

- A process exists for managing performance issues including documented warnings
Essential for defending unfair dismissal claims — especially under the Small Business Fair Dismissal Code.

■ The Small Business Fair Dismissal Code has been reviewed (if under 15 employees)

Download from [fairwork.gov.au](https://www.fairwork.gov.au). Following this code is a complete defence to unfair dismissal.

■ Notice periods are understood and applied correctly for each employment type

Based on length of service — see NES. Check applicable award for longer minimums.

■ Final pay processes include all outstanding entitlements

Annual leave, long service leave (if applicable), notice pay. Best practice: pay within 7 days of last day.

■ Termination records are documented and stored for 7 years

AFTER COMPLETING THIS CHECKLIST

- Count how many items are unticked — these are your priority areas
- Prioritise any items marked with a legal obligation first
- Set a realistic timeline to address each gap
- Consider seeking professional HR support if there are multiple gaps — it is more cost-effective than dealing with a Fair Work claim
- Re-run this checklist in 12 months to track your progress

This checklist is for general guidance only — not legal advice. Verify current requirements with the Fair Work Ombudsman (13 13 94) or a qualified HR professional.

Need help working through this checklist? Compliance Compass provides practical, affordable HR support for small businesses and not-for-profits across the ACT and surrounds. Every client works directly with me — no big firm, no templates.

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