



Upcoming changes to state employment laws in WA

Penalties and serious contraventions

Penalties for contravening state employment laws will increase and the meaning of 'serious contravention' will be changed. These changes to the *Industrial Relations Act 1979* (IR Act) have been introduced by the *Industrial Relations Legislation Amendment Act 2024* and will commence on 31 January 2025.

This fact sheet outlines:

- New maximum civil penalties
- Changes to serious contraventions.

New maximum civil penalties

Employers are subject to civil penalties for breaches of certain state employment laws. Breaches which are serious contraventions are subject to penalties which are ten times higher.

Maximum civil penalties in the IR Act will increase from \$65,000 to \$93,000 for a body corporate (\$650,000 to \$930,000 for a serious contravention) and \$13,000 to \$18,000 for an individual (\$130,000 to \$180,000 for a serious contravention). A table showing the changes to penalties is on page 2 of this fact sheet.

These increases are intended to provide a more effective deterrent to underpayments and exploitation and will also ensure penalty levels in the state industrial relations system remain broadly consistent with penalties applicable to individuals and small business employers covered by the national industrial relations system.

Changes to serious contraventions

At present, a contravention is a serious contravention if a person knowingly commits the contravention and this conduct is part of a systematic pattern of conduct.

From 31 January 2025, a contravention will be a serious contravention if the person knowingly commits the contravention, or is reckless as to whether the contravention would occur. The change is consistent with recent amendments to comparable provisions in the national industrial relations system and will provide a stronger deterrent to unlawful conduct which is knowingly or recklessly committed.

Changes to maximum penalties under the IR Act from 31 January 2025

Type of contravention	Current penalty	New penalty
Contravention of award, industrial agreement, minimum condition of employment, long service leave entitlement (e.g. underpayment of wages or other entitlements)	\$13,000 for an individual \$65,000 for a body corporate	\$18,000 for an individual \$93,000 for a body corporate
Failure to comply with a compliance notice issued by an industrial inspector (e.g. to require an employer to rectify underpayments)	\$6,500 for an individual \$32,500 for a body corporate	\$18,000 for an individual \$93,000 for a body corporate
Contravention of a civil penalty provision (e.g. failure to keep employment records; obstruction of an industrial inspector)	\$13,000 for an individual \$65,000 for a body corporate	\$18,000 for an individual \$93,000 for a body corporate
Contravention of certain orders, directions or declarations of the Western Australian Industrial Relations Commission	\$10,000	\$13,000

State employment laws are changing

This fact sheet is part of a suite of information on the changes to state employment laws that will commence on 31 January 2025. For details on the changes visit www.demirs.wa.gov.au/new-employment-laws.

Disclaimer

The Department of Energy, Mines, Industry Regulation and Safety has provided this fact sheet as a general guide only and it is not designed to be comprehensive or to provide legal advice. The department does not accept liability for any claim which may arise from any person acting on, or refraining from acting on, this information.