

VISA PAK ISSUE 411 — 09 AUGUST 2019

ASSESSING SALARY THRESHOLD UNDER WR1 TALENT (ACCREDITED EMPLOYERS) WORK INSTRUCTIONS

This advice updates Visa Pak 202 *Assessing Work to Residence Applications* in relation to calculating remuneration only.

Immigration Officers assessing applications under WR1 instructions must ensure that the applicant has been offered a minimum base salary of \$55,000 per annum. This salary should be based on a 40 hour week as per the note in immigration instruction WR1.10. This cannot include benefits, superannuation contributions, commissions, and allowances. Any hours in excess of 40 hours per week must be compensated through either a formal system of time-in-lieu documenting these hours or by paying an effective hourly rate of \$26.45 or more.

Instruction WR1.10 (f) refers to an applicant being paid a salary of \$55,000 per annum, rather than an hourly wage. However, sometimes an employment agreement will stipulate an hourly wage rather than a salary. If the employment agreement states the hourly rate is \$26.44, this works out to \$54,995.20, which falls below the required \$55,000 per annum as per instructions. This is because the calculations are based on rounded numbers.

Therefore the hourly rate must be calculated as \$26.45 or more which ensures the remuneration offered will meet the minimum base salary of \$55,000 per annum.

The hourly rate calculation should only be used where applicants are contracted to work more than 40 hours a week to determine if they meet the \$55,000 threshold on a pro-rata basis. There is no reference to an hourly rate in instructions.

The risk is that by using the hourly pay rate of \$26.44 per hour, applicants will not meet instruction RW2(c) when they apply for their residence visa.