



Seasonal Workers

goPayroll provides comprehensive support for Seasonal Workers.

Some industries, particularly viticulture and horticulture have a need to employ seasonal workers (*whether RSE workers from overseas, or local seasonal labour*).

Invariably, these workers are paid by the production unit (*number of cases, bins, rows etc.*) and are classified as piece-workers.

In New Zealand, piece-workers may be eligible for **paid rest breaks (PRB)** and minimum wage topups based on **total hours worked (THW)**.

RSE workers may also wish to send superannuation contributions home via the **Seasonal Worker Superannuation Administration Service (SWSAS)** and this option is available in both NZ and Australia.

This guide explains all of these aspects and how to cater for them in goPayroll.

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Piece workers

Piece-workers are typically paid for each unit of production (*as opposed to an hourly rate*). This could be per bin of fruit, a number of vines, sheep, etc.

"Pieces" are normally paid using the Allowance/Piecework section of the pay input (*and more often than not are imported from a properly formatted CSV file or attendance system such as Vinea*) and each transaction is able to be separately costed to a GL cost centre, job, activity or department - great for proper cost analysis.

These employees tend not to have paid breaks (*because they're being paid for production, not drinking tea*), so a **Paid Rest Break (PRB)** allowance category is available to record that data (*minimum 10 minutes [0.167 hours] per 4-hour period, or 20 minutes [0.333 hours] per 8 hour period*). PRB is recorded in hours as a total for the pay period, or individually per day if preferred. It also magically gets paid at the employee's average pay rate for the pay period.

In addition, you must record **Total Hours Worked (THW)** per pay period to ensure that the employee is being paid at least the minimum hourly rate.

Setting up Topups and THW

There are three items in **Settings..Options** that affect the way THW and Topups are calculated for piece-workers:

Processing options 1

TOIL (Flexi-time) options

TOIL basis None

TOIL cutoff

RDO on termination paid as overtime?

Automatic overtime options

Basis None

Ordinary time cutoff

Balance goes to

Standard work pattern

One day equals 8.00 hours

One week equals 40.00 hours

Default pay cycle Week

Casual staff

Charge loading to Employee's default cost centre

Misc options

Excel format XLSX (Excel 2007-2013)

Employee list Surname, Firstname

Clone new employees

Auto-set Badge # to employee ID

Auto-store pay rate per activity:

Cost centre Job

Auto-topup piece-worker pay (requires THW)

Cumulative THW

Topup to contract rate if greater than minimum

Cancel Save

- **Auto-topup piece-worker pay:** lets the system auto-calculate topups based on total hours worked for the pay period (*THW is captured by import or edited in the Summary tool during your payrun*)
- **Cumulative THW:** allows for the import of multiple THW transactions (*from CSV or other attendance system*) that accumulate to make the total THW recorded for the pay period (*you *may* have THW recorded per day for example, however the total for the pay period is required for the calculation to be performed correctly*). The imported total can be manually adjusted if necessary in *Payrun..Summary*.
- **Topup to contract rate if greater than minimum:** this option uses the employee's Contract payrate value if it's greater than the minimum for that type of employee (*e.g. RSE's get a minimum living wage rate as opposed to an Adult minimum wage, so a higher rate in the employee's contract would be used as the minimum pay rate target instead*)

Staff..Contract..Employment provides a piece-work employment category as well as a Minimum wage selection option for Adults, RSE workers etc. - this sets up the employee for proper processing of PRB and THW capture from imported data or by manual capture during pay input. The employee may also have a pay rate set here to be used for any hourly duties and as a target payrate for topups if selected in Settings.

Seasonal Worker Superannuation (SWSAS)

Employee contributions to SWSAS

RSE workers may also wish to send superannuation contributions home via the **Seasonal Worker Superannuation Administration Service (SWSAS)** available in both NZ and Australia.

The SWSAS login page for NZ employers is here: <https://employer.swsas.co.nz/>

To cater for the collection and reporting of these deductions, set up an Agency code (*Codes..Agencies*) like this example:

The screenshot shows the 'Codes' section of the SWSAS system. The left-hand menu lists various categories, with 'Agencies and Super funds' selected. In this menu, 'RSE Super %' and 'RSE Super (fixed)' are highlighted. The main form area is titled 'RSE Super %' and contains the following fields:

- Title:** RSE Super % (1)
- Payee name and address:** Agency name here (full address details here)
- Phone:** (empty)
- Email:** (empty)
- Category:** Seasonal Worker Superannuation (SWSAS) (2)
- Holding account:** 2-1210: Net Wages Holding
- Calculation:** Earnings x Rate (3) scale?
- Payee details:** Fine tune (4)
- Account name:** RSE Superannuation
- Bank account:** 02-0108-0358987-001 BNZ
- Employer# at fund or agency:** 167344 (5)
- Individual payment transactions

1. Give the agency code a suitable title (**RSE Super %** for percentage-based contributions, or **RSE Super Fixed** for fixed amount contributions)
2. Set the category to SWSAS!
3. For a percentage-based calculation use Earnings x Rate (and see #4 in the image above and description below to set the items it is to be calculated on)
4. Set the earnings types that are to be used in the earnings x rate calculation (usually you'd select anything that is superable - there's a quick-select for that)
5. Enter the business number or Entity Reference number allocated to you by SWSAS!

You may have as many agency codes calculated in different ways, though generally you'd have just two standing deduction payments (one each for % on earnings, and another for a fixed amount per pay period) plus maybe a third for voluntary employer contributions (which would generally be based on the value of a separate "employer super contribution allowance" - see below for more details).

Employer contributions to SWSAS

Current legislation means that employer contributions made to SWSAS are not treated the same as KiwiSaver, which has ESCT deducted from the contribution that reaches the employee's fund. Due to this, payments made as an employer contribution would be subject to Fringe Benefit tax.

IR have plans to review legislation regarding employer contributions to SWSAS, but that's not expected before April 2024

If you wish to make employer contributions to SWSAS then the following approach is recommended.

1. create an allowance code, named appropriately (e.g. "SWSAS employer contribution (taxable benefit)").
 - 1.1. You'll base this on Earnings x Rate and set the fine-tune basis to all superable earnings.
 - 1.2. You'll add this to the employee's pay template as an allowance, with the rate set to 0.03 (3%)
 - 1.3. The value will be calculated automatically every payrun.
2. create an agency payments code, named appropriately (e.g. "SWSAS employer contribution (after-tax)")
 - 2.1. You'll base this on Earnings x Rate and set the fine-tune basis to just the SWSAS employer contribution allowance.
 - 2.2. You'll add this to the employee's recurring Payments list and set the rate to whatever is agreed with the employee:
 - 2.2.1. set the rate to 1 to give the same value as the allowance before it's taxed (this reduces the employee's net pay slightly), or
 - 2.2.2. set the rate to the approximate net value of the allowance after tax (NSW tax rate for 2023/2024 is 0.1203 (12.03%), so you could use 0.8797 (87.97%) so the employee's net is unaffected, although their SWSAS employer contribution will be a little less than 3% of earnings due to the tax being deducted.
 - 2.3. The value will be calculated automatically every payrun.

Capturing pay inputs

Piece-rate work is always captured as an allowance (*though some staff may also have labour hours as well*) and combined with the PRB and THW entries can automatically calculate the topup required to ensure the employee is paid at least the minimum hourly rate.

The allowances, paid rest breaks and total hours worked can all be captured and edited manually, or preferably imported from a properly formatted time transaction file (*each line includes the employee's badge or code and the relevant paycode, units etc.*)

Example: So, an employee could be paid \$2.50 for crutching a ewe, but take 4 hours to do it [*this is just an example*] - they'd be entitled to an entry of 1 ewe at \$2.50, THW would be 4 hours, therefore they'd be entitled to a PRB of 0.167, and a topup of around \$68 [*using a min rate of \$17.70*]

Here's an example payslip showing all relevant items:

Demo Data NZ Ltd		Page 1		
Payslip for Kent, Helen to 29.03.2020 payday 01.04.2020		2020-03-25 22:04:42 2.2.1		
Helen Kent 2048 Fitzherbert Place Bigtown		Pay for 1 Week (5 days) Period ending 29.03.2020 Pay day 01.04.2020 Pay group Sales Tax code: M		
	Date	Units	Rate	Value
Time				
Ordinary time	09.08.2016	8.00	17.70	141.60
		8.00		141.60
Allowances				
Paid rest break	29.03.2020	0.333	17.70	5.89
Harvesting	29.03.2020	450.00	0.25	112.50
Topup	29.03.2020	16.00	1.8187	29.10
		466.333		147.49
Deductions				
PAYE				35.76
KiwiSaver		289.09	0.03	8.67
		289.09		44.43
Net Pay				
02-0123-****875-00		1.00	244.66	244.66
		1.00		244.66
Status		YTD Tax	YTD Gross	
Permanent, Piece-work, Waged, Regular hrs		35.76	289.09	
Total hours worked: 16		[Leave Balances are as at the START of this pay period]		
Annual leave balance: 2.2 Weeks, next accrual of 4 Weeks is due 01.08.2017 [this is your legal entitlement at the start of this pay period]				
Total employer funded superannuation payable to KiwiSaver: for this pay \$8.67, for paydays this month \$8.67, for paydays since 01.04.2020 \$8.67 less 17.5% ESCT				

It's fine if the employee also has paid hours etc for different duties - it's all taken into account (*excepting extra pay and leave amounts*) for the topup calculation to produce a topup amount, if any.

You'll also need an allowance code for each of:

- **PRB:** Paid rest breaks - make sure the Category is set to Paid Rest Breaks!

- **TOPUP:** Topup, make sure the Category is set to Topup!

Make piece-work easy

Check out the following:

- [Vinea](#) - a purpose-built vineyard and orchard management solution
- [FlexiCSV](#) - for those who want to create the ultimate in flexible data capture and speedy import to goPayroll

Feedback

We're always keen to do better!

Any and all feedback is appreciated and if you feel we could include better examples, provide more explanation, provide references to additional information, make a process easier to use, or you spot something that isn't working the way it's supposed to - please let us know.