

PAID LEAVE OF ABSENCE (PLOA)

Understanding the PLOA for Commission-only Agents

Employment Law requires that Commission-only Agents are paid for leave entitlements as they are incurred. For example, if a Commission-only Agent takes annual leave they will receive payment for this leave at the time the leave is taken. Similarly an Agent will be paid their annual leave entitlements if they resign from McGrath. This leave is paid at the Real Estate Award Rate. As these leave payments are in excess of the stated Agent commission split payments, the leave payments and the accrued entitlements are clawed back through the PLOA system.

In practice the system works like a debit/credit system:

- You are paid or accrue all leave entitlements; and
- In consideration for these payments and accrued entitlements McGrath deduct \$700 per month.

This means the Agent will be paid at the rate of their commission percentage rate.

SO, WHAT DOES THIS MEAN?

All Commission-only Agents must receive paid leave entitlements under the National Employment Standards (NES).

In the Commission-only employment agreement Annexure A under '9.5 Commission Margin Credit' states:

- (iii) A PLOA amount of \$700 per month. This will be used to offset the costs associated with Your employment as a Commission-only employee, including but not limited to any paid annual leave, paid personal carer's leave, paid public holidays and payment in lieu of notice on termination (as well as compulsory superannuation on those amounts). Provided that You agree to the PLOA amount being increased in July each year in accordance with the equivalent increases in the minimum Award rate of pay for Your classification. The Employer will notify You in writing 2 weeks before adjusted PLOA apply.

The \$700 per month deduction is a compulsory payment for all McGrath Commission-only employees for the duration of their employment.

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WHAT ARE YOUR LEAVE ENTITLEMENTS?

The leave breaks down as follows and is paid at the real estate award level 2 amount of \$877.60 per week (please refer to the real estate award for more info on this a copy can be found [here](#)). This amount changes annually.

LEAVE TYPE	ENTITLEMENT (days)	TOTAL MONETARY VALUE
Personal/Carers Leave	10	\$1,755
Annual Leave	20	\$3,510
Public Holidays	10	\$1,755
Compassionate Leave	2 per permissible occasion	\$351
Total Pre-Super		\$7,371
Superannuation (9.5%)		\$700
TOTAL		\$8,072
Total per month		\$672
Total charged		\$700

** Table excludes paid notice period of 1-5 weeks notice based on length of employment and age**

Under the guidance of Real Estate Employers Federation, the \$700 debit is considered an appropriate amount to cover the costs of an employees paid leave entitlements.

HOW TO RECORD YOUR LEAVE?

To receive paid leave entitlements, it must be recorded on Preceda McGrath's payroll system. If leave is not recorded it will not be paid. For more information about Preceda and for any other payroll questions please contact Payroll@mcgrath.com.au.

WHAT HAPPENS IF I DON'T MAKE ANY SALES IN A MONTH?

The debit accrues monthly from the first day of employment. When a sale is made we debit the balance at settlement.

For example:

One month in arrears, the debit is \$700.

Two month in arrears, the debit is \$1,400.

DO YOU HAVE MORE QUESTIONS?

Please email our People and Culture team at peopleandculture@mcgrath.com.au.