

REMOTE AREA PACKAGE POLICY

Objectives

Royal Flying Doctor Service of Australia (Queensland Section) (RFDS) has at the core of its business the provision of health care to rural and remote Queenslanders. In order to achieve this, many of our employees need to reside in rural or remote locations across Queensland. The Remote Area Package recognises the importance of attracting and retaining quality employees in these locations. There are various initiatives in place to support these recruitment and retention outcomes.

Scope

1. Remote Area Package

As stated above, the Remote Area Package consists of various initiatives dependant on location and eligibility*.

**according to current FBT Legislation.*

Location	Rent / Mortgage Assistance Component (1.2)	Gratuity Component (1.1)
Mount Isa	X	X
Roma	X	X
Normanton	X	X
Longreach	X	X
Charleville	X	X

Fact Sheets for Salary Packaging provisions in relation to each component of the Remote Area Package are available from the People and Culture Department.

1.1 Gratuity Component

After 12 months of service at any of the eligible locations, a gratuity is paid to eligible employees. The gratuity attracts superannuation and will be paid as a taxable allowance via the payroll system in the first pay period after completion of the twelve months service. This gratuity is not paid on a pro rata service basis to employees who leave RFDS (Queensland Section) (e.g. if an employee commences in November 2017 the gratuity payment will be paid when the employee reaches 12 months of service, if the employee leaves before this time the gratuity will not be paid). The only exception to this will be if the employee transfers within RFDS (Queensland Section), in which case a pro rata gratuity will be paid (pro rata payment will be made upon completion of 12 months of service).

The gratuity component applies to full time and part time Nurses, Pilots, Health Professionals and Administration employees who are permanently residing in the eligible remote areas. Part time employees and employees who have been on half pay in the previous 12 months of their anniversary date will receive a pro rata amount of the full gratuity (e.g. an employee who is employed as 0.5 FTE will receive \$1,746.22 after 12 months of service). Please note Gratuity is not applicable to casual employees, trainees and apprentices.

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Where a full year of service has been completed but the employee has had a period of unpaid absences (e.g. leave without pay or unpaid parental leave) which amount to a total of more than 2 working weeks at their FTE rate (e.g. for a full time Mon – Fri employee, an absence of 7 working days and another of 9 working days constitutes a total of 16 working days or just over 3 weeks), the gratuity amount will be reduced accordingly. Gratuity payments as at 1 July 2022 are as follows:

After 12 months service	\$3,492.43
After 24 months service	\$5,238.65
36 months and over	\$6,984.86

Gratuity amounts will be increased annually commencing 1st July by the annual all groups, all capital states average CPI for year ending June each year.

Gratuities can be:

- > Paid into RemServ
- > Paid as salary through payroll, where it will be taxed at the employee's marginal rate
- > Salary sacrificed into super if the employee has instructed payroll via email, 12 months prior to the gratuity being due.

Accessing this gratuity through RemServ will be in accordance with the prevailing FBT provisions.

If an employee opts to salary sacrifice this gratuity to superannuation, please be aware this may affect the prevailing concessional superannuation cap amounts provisions.

Employees based in remote areas could use their gratuity towards remote area travel assistance. Refer to clause 1.3 of this document.

1.2 Rental/Mortgage Assistance Component

The Rental/Mortgage Assistance component applies to full time and part time (pro rata FTE) Nurses, Pilots, Health Professionals and Administration employees employed at the Charleville, Longreach, Roma, Normanton and Mount Isa bases. The employee must be a permanent resident of that location and not living in RFDS paid accommodation.

Rental/Mortgage Assistance does not apply to casual employees, trainees and apprentices.

As detailed below, each eligible employee will be paid a Rental/Mortgage Assistance Allowance. The Rental/Mortgage Assistance will be paid fortnightly as a taxable allowance via the payroll system. Rental/Mortgage Assistance attracts superannuation.

Rental/Mortgage Assistance payments effective 1 July 2022 are as follows:

Charleville	\$150.00 per week
Longreach	\$150.00 per week
Mount Isa/Normanton	\$220.00 per week
Roma	\$160.00 per week

These payments are reviewed on an annual basis taking into account market movements and data from the Residential Tenancy Authority (RTA).

If an employee takes any unpaid leave the Rental/Mortgage Assistance will not be paid.

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1.3 Remote Area Benefits

Employees based in an Australian Taxation Office designated remote area are eligible for additional concessions for fringe benefit tax (FBT) purposes. The benefits available are:

- > Remote area housing assistance - rental 50% reduction of taxable value for FBT.
- > Remote area residential (not vehicle) fuel 50% reduction of taxable value for FBT.
- > Remote area housing assistance - mortgage interest 50% reduction of taxable value for FBT.
- > Remote area travel assistance – 50% reduction of taxable value for FBT.

Related Documents

RFDS Enterprise Agreements

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