

Becoming work ready

Financial management

Employers have an obligation to pay salary and wages to employees, as a minimum employment entitlement, for work that has been completed. Once that money is received as income by the employee, it becomes their personal responsibility to manage.

Payment of salary and wages is income. It is preferably paid directly into a bank account.

Income	
Into a bank account	Provide financial details to be paid directly into a bank account. https://my.gov.au/en/services/work/starting-a-job/what-your-employer-needs-from-you/providing-financial-details-to-your-employer
Cash in hand	Salaries, wages and tips can be legally paid in cash, but check to ensure that an employer is not avoiding their tax and employment responsibilities. https://www.ato.gov.au/Individuals/Jobs-and-employment-types/Working-as-an-employee/Receiving-cash-for-work-you-do/

Employers have an obligation to withhold a portion of salary or wages for income tax requirements. There are tax-free threshold implications for young people working multiple jobs.

Income tax	
Tax withheld	A portion of income tax is withheld by the employer under the PAYG (pay as you go) withholding system and paid to the Australian Tax Office (ATO). https://www.ato.gov.au/Individuals/Your-tax-return/In-detail/New-to-tax-and-super/
PAYG amount	The amount withheld depends on the tax file number declaration. https://www.ato.gov.au/Calculators-and-tools/Tax-withheld-calculator/
Tax free threshold	The tax-free threshold is income earned each financial year that is not taxed. https://www.ato.gov.au/Individuals/Jobs-and-employment-types/Working-as-an-employee/Income-from-more-than-one-job/
Deductions	Some expenses can be claimed as income tax deductions. The occupation and industry specific guides have information on common expense claims. https://www.ato.gov.au/individuals-and-families/income-deductions-offsets-and-records/deductions-you-can-claim
Track deductions	Recordkeeping of deductions is important; myDeductions is a free option. https://www.ato.gov.au/General/Online-services/ATO-app/myDeductions/
Understand tax	The ATO offers learning resources to students, teachers and parents. https://taxsuperandyou.gov.au/work-ready-course

Most workers in Australia will need to lodge an annual tax return with the ATO. This can be done online by using myTax, linked through myGov, or by using a registered tax agent.

Income tax return	
Income statement	Employers provide an end of financial year income statement. https://www.ato.gov.au/Individuals/jobs-and-employment-types/Working-as-an-employee/Access-your-income-statement/
Tax return	Annual tax returns are lodged with the ATO. The income earned is compared with the tax paid. A notice of assessment (NOA) is provided with either a: <ul style="list-style-type: none"> • Tax refund: if more tax has been paid than needed, the extra is refunded • Tax bill: if enough tax has not been withheld, the gap is billed. www.ato.gov.au/Individuals/Your-tax-return/How-to-lodge-your-tax-return/
Free help	Help to lodge a tax return online for people earning under \$60,000 per year. https://www.ato.gov.au/Individuals/Your-tax-return/Help-and-support-to-lodge-your-tax-return/tax-help-program/
Tax bills	Steps can be taken to avoid the shock of receiving a tax bill. https://www.ato.gov.au/Individuals/Your-tax-return/Check-the-progress-of-your-tax-return/Why-you-may-receive-a-tax-bill/
Professional advice	Registered tax practitioners provide advice and services to help their clients comply with tax and superannuation laws. https://www.tpb.gov.au/finding-and-using-tax-practitioner

Employers are also obligated to contribute to the employees chosen superannuation fund to provide for their retirement. There are penalties for companies that do not pay super correctly.

Superannuation	
Compare super funds	Compare the investment performance, annual fees, insurance coverage and returns of funds. https://www.ato.gov.au/YourSuper-comparison-tool/
Track super contributions	Manage super using the ATO online service linked to a myGov account. https://www.ato.gov.au/General/Online-services/ATO-online-services-and-myGov/
Unpaid super	If an employer has not paid super, paid it late or paid it to an incorrect fund, there is a checklist and online tool to make a report. https://www.ato.gov.au/calculators-and-tools/report-unpaid-super-contributions-from-my-employer/
Professional advice	Licensed Australian financial services professionals provide superannuation advice. https://connectonline.asic.gov.au/RegistrySearch

Retirement is when a person ceases working after many years of continuous work. There is no age of retirement in Australia, only age restrictions to access retirement income. For a person born in 2010, the earliest they could access retirement income is age 60.

Retirement planning	
Retirement income	Retirement income is superannuation, private savings and age pension. https://moneysmart.gov.au/retirement-income/
Age pension	The age pension is a means tested safety net for those who need it. https://www.servicesaustralia.gov.au/age-pension

Financial management can seem overwhelming. Learn to budget, save, spend and invest.

Basic financial management	
Budget	Budget and track spending with a downloadable spreadsheet. https://moneysmart.gov.au/budgeting/
Save	Impartial overview of banking and saving options. https://moneysmart.gov.au/banking
Spend	https://moneysmart.gov.au/student-life-and-money Common expenses are for mobile phones, moving out of home, cars and: <ul style="list-style-type: none"> • credit cards: https://moneysmart.gov.au/credit-cards • buy now services: https://moneysmart.gov.au/other-ways-to-borrow/buy-now-pay-later-services • personal loans: https://moneysmart.gov.au/loans
Investing	The golden rules and a toolkit for investing. https://moneysmart.gov.au/how-to-invest
Financial advisors	Choose licensed professional financial advisers. https://moneysmart.gov.au/financial-advice/

Housing is a fundamental human need but is increasingly an area of financial stress.

Housing	
Renting	Find here a guide to rent your first home. https://www.ljhooker.com.au/rent/first-time-renters-guide#:~:text=What%20is%20a%20bond?,towards%20your%20final%20rent%20payment.
Rental agreements	Rental agreements are contracts with legal rights and obligations. https://www.commerce.wa.gov.au/consumer-protection/rental-agreements <ul style="list-style-type: none"> • Tenant guide: https://www.commerce.wa.gov.au/publications/tenant-guide-renting-home-wa.
Pay the rent	Rental agreements include a deposit portion and regular payments. https://moneysmart.gov.au/student-life-and-money/rental-bonds-and-leases
Buying	How to buy your first home? https://reiwa.com.au/the-wa-market/resources/guides/wa-first-home-buyer-guide/
Buying process	Buying a house is a complicated process with many steps. https://moneysmart.gov.au/home-loans/buying-a-house
Home loans	Borrowing tips and calculators for home loans. https://moneysmart.gov.au/home-loans
Guide for buyers	There are rules and responsibilities when buying and selling property. https://www.commerce.wa.gov.au/publications/sale-offer-and-acceptance-publication

Manage debt	
Manage debt	Manage debt, credit scores, and apply for hardship assistance. https://moneysmart.gov.au/managing-debt
Financial counselling	Free counselling service to help people manage their debts. https://ndh.org.au/financial-counselling/find-a-financial-counsellor/ • National debt helpline: http://www.ndh.org.au/
Mob Strong Debt Help	Free counselling service for Aboriginal and Torres Strait Islander peoples. https://financialrights.org.au/mob-strong-debt-help/
Gambling help	Information, support and counselling for anyone affected by gambling. https://www.gamblinghelponline.org.au/
Debt collectors	Consumer protection laws can help in times of financial hardship. https://ndh.org.au/debt-solutions/know-your-rights/

Seek help for consumer rights, scams and purchases, contracts and financial product issues.

Consumer help	
Scams	Spot and report scams plus advice to recover scammed money. https://www.scamnet.wa.gov.au/scamnet/Home.htm
Consumer protection	Consumer information for everyday purchases and simple contracts. https://www.commerce.wa.gov.au/consumer-protection/
Financial products complaints	Consumer support for financial complaints about superannuation, banking, credit or loan products, insurance policies and investments. https://www.afca.org.au/make-a-complaint/