

Fact Sheet

NSW Disaster Recovery Funding Arrangements Employee on-costs for Opt-in Arrangements

February 2026

This fact sheet provides guidance on the application of employee on-costs for NSW councils that have opted into Day Labour Co-Funding Arrangements and for NSW State agencies that manage essential public assets.

On-costs for opt-in arrangements

Under the [Disaster Recovery Funding Arrangements 2018 \(DRFA\)](#), certain salary and wage costs, including specific on-costs for contract and temporary employees, are eligible for reimbursement when incurred on eligible recovery measures. This guidance only applies to NSW councils that have opted into Day Labour Co-Funding Arrangements, and State agencies that manage or own essential public assets, such as Transport for NSW.

Under the [NSW Essential Public Assets Restoration Disaster Grant Program Guidelines \(NSW EPAR Guidelines\)](#), councils that opted into the Day Labour Co-Funding Arrangements (NSW EPAR Guidelines Appendix A) may claim eligible costs for normal hours staff (day labour) directly engaged in Emergency Works, Immediate Reconstruction Works, and Essential Public Asset Reconstruction Works, including certain on-costs.

Councils that have not opted in can still claim certain eligible employee costs, (for example overtime, casual, or temporary staff) if these costs were incurred directly as a result of restoring essential public assets and would not have occurred without the eligible disaster event. Conditions and exceptions apply (see Appendix A of the NSW EPAR Guidelines.)

On-cost components outlined in this fact sheet may also assist councils that have not opted in when claiming eligible employee costs

Opt-in guidance for councils

To opt-in, councils must write to the NSW Reconstruction Authority (RA) requesting to 'opt-in' to the day labour co-funding arrangements. RA will write to the council to confirm opt-in status, and the date this comes into effect. RA will then calculate the activation threshold for the council for the current financial year.

In the event of an eligible disaster, opt-in councils may claim funding for:

- Normal-hours staff (day labour) directly engaged in Emergency Works, Immediate Reconstruction Works and Essential Public Asset Reconstruction Works.
- Use of council's own plant and equipment directly engaged to undertake Emergency Works, Immediate Reconstruction Works and Essential Public Asset Reconstruction Works.

For more details of eligible and ineligible costs, refer to the fact sheet: [NSW Disaster Recovery Funding Arrangements: employee, project management, equipment and other costs](#).

For further guidance, email Reconstructioncoordination@reconstruction.nsw.gov.au

Calculating on-costs

The NSW State Government has developed a standard on-cost calculation methodology.

Asset owners can claim up to the rates in Tables 1 and 2 through the audit and assurance reimbursement processes, without supporting evidence (rates align with the relevant award rates). Claims above these rates require supporting documentation to justify an increase. When submitting claims, itemise both net labour costs and associated on-costs in transaction listings.

The on-costs methodology applies to employee-related expenses. The rate is calculated on the net salary and wages costs for ordinary time earnings based on the agency's relevant award (local government award or state award). For overtime, only the applicable Workers Compensation rate is included when calculating on-costs.

Agencies must confirm the relevant award rates for the year the costs were incurred. RA will update tables if award rates change.

The application of on-cost percentages is subject to state audit and Australian Government assurance processes under the DRFA. To be reimbursed for eligible recovery measures, asset owners and administering agencies must participate in DRFA compliance and audit activities.

Agencies and asset owners must keep accurate records and evidence for all expenditure and any cost apportioning methods.

Further information

- For more details on required evidence, refer to the fact sheet: [NSW Disaster Recovery Funding Arrangements: employee, project management, equipment and other costs](#).
- For information on DRFA compliance and audit activities, refer to the fact sheet: [Audit process and the DRFA](#).
- For guidance on using the on-cost calculation methodology, email Reconstructioncoordination@reconstruction.nsw.gov.au

On-cost tables: 1 July 2025 to 30 June 2026

Table 1: Local Government (State) Award 2024 – Councils on-costs calculator 1 July 2025 – 30 June 2026

Component	Opt-in councils	Formula	Calculation Details	Award Clause
Annual leave	7.69%	$4 \div 52$	4 weeks per year of service	23.D.(i)(a)
Sick leave	5.77%	$3 \div 52$	3 weeks per year of service	23.A.(i)
Long service leave	2.50%	$6.5 \div 260$ or $11 \div 260$	2.50% for up to 15 years' service (6.5 weeks over 5 years) 3.84% for over 15 years' service (11 weeks over 5 years)	23.E(i)
Public holiday	3.448%	$9 \div 261$	9 days per 1 year (261 days excluding weekends) <i>*note Monday 27th April 2026 declared additional public holiday Feb 2026</i>	22.A(i)
Superannuation	12.00%	—	ATO Super guarantee percentages for financial year 2025/2026*	N/A
Leave loading	n/a	—	—	—
Workers compensation	2.824%	$2.82\% + 0.004\%$	NSW Workers Compensation Industry Classification Rates and Dust Diseases Contribution 2024-25	Code 81130
Total	34.232	—	—	—

*Superannuation minimum percentage of ordinary time earnings paid to a complying super fund varies by financial year: FY21/22 – 10%, FY22/23 – 10.5%, FY23/24 – 11%, FY24/25 – 11.5%, FY25/26 – 12%, FY26/27 onwards – 12%. Rates may change each financial year. Councils and agencies should confirm on-cost components at the start of each year.

Table 2: NSW Government on-costs calculator 1 July 2025 – 30 June 2026 Crown Employees (Public Service Conditions of Employment) Reviewed Award 2009 – State Agencies

Component	Opt-in councils	Formula	Calculation Details	Award Clause
Annual leave	7.69%	$4 \div 52$	4 weeks per year *annual leave loading 17.5% applies with conditions	77.1.1 & 78
Sick leave	5.77%	$3 \div 52$	3 weeks per year (after first year of service)	79.6
Long service leave	1.67%	$2 \div 120$	2 months over 10 years (<i>Long Service Leave Act 1955</i>)	4.2.(a)(i)(A)
Public holiday	3.448%	$9 \div 261$	9 days per year excluding weekends (<i>Public Holidays Act 2010</i>) *note Monday 27 th April 2026 declared additional public holiday Feb 2026	19.1.1 & 4
Superannuation	12.00%	n/a	ATO Super guarantee percentages for relevant financial year*	n/a
Leave loading	1.346%	$17.5\% * 7.69\%$	4 weeks per year (*annual leave loading 17.5% applies with conditions)	77.1.1 & 78
Workers compensation	0.954%	$0.95\% + 0.004\%$	NSW Workers Compensation Industry Classification Rates and Dust Diseases Contribution 2024-25	Code 81120
Total	32.878%	—	—	—

*Superannuation minimum percentage varies by financial year: FY21/22 – 10%, FY22/23 – 10.5%, FY23/24 – 11%, FY24/25 – 11.5%, FY25/26 – 12%, FY26/27 onwards – 12%. Rates may change each financial year. Agencies should confirm on-cost components at the start of each year.

On-cost tables: 1 July 2024 to 30 June 2025

Table 3: Local Government (State) Award 2024 - Councils on-costs calculator 1 July 2024 to 30 June 2025

Component	Opt-in councils	Formula	Calculation Details	Award Clause
Annual leave	7.69%	$4 \div 52$	4 weeks per year of service	23.D.(i)(a)
Sick leave	5.77%	$3 \div 52$	3 weeks per year of service	23.A.(i)
Long service leave	2.50%	$6.5 \div 260$ or $11 \div 260$	2.50% for up to 15 years' service (6.5 weeks over 5 years) 3.84% for over 15 years' service (11 weeks over 5 years)	23.E(i)
Public holiday	3.448%	$9 \div 261$	9 days per 1 year (261 days excluding weekends)	22.A(i)
Superannuation	11.50%	—	ATO Super guarantee percentages for relevant Financial Year	n/a
Leave loading	n/a	—	—	—
Workers compensation	2.555%	$2.55\% + 0.005\%$	NSW Workers Compensation Industry Classification Rates and Dust Diseases Contribution 2024-25	Code 81130
Total	33.463%	—	—	—

Table 4: NSW Government on-costs calculator 1 July 2024 to 30 June 2025 Crown Employees (Public Service Conditions of Employment) Reviewed Award 2009 – State Agencies

Component	Opt-in councils	Formula	Calculation Details	Award Clause
Annual leave	7.69%	$4 \div 52$	4 weeks per year *annual leave loading 17.5% applies with conditions	77.1.1 & 78
Sick leave	5.77%	$3 \div 52$	3 weeks per year (after first year of service)	79.6
Long service leave	1.67%	$2 \div 120$	2 months per 10 years (<i>Long Service Leave Act 1955</i>)	4.2.(a)(i)(A)
Public holiday	3.448%	$9 \div 261$	9 days per 1 year excluding weekends (<i>Public Holidays Act 2010</i>)	19.1.1 & 4
Superannuation	11.50%	—	ATO Super guarantee percentages for relevant Financial Year	n/a
Leave loading	1.346%	$17.5\% * 7.69\%$	4 weeks per 1 year *annual leave loading 17.5% applies with conditions	77.1.1 & 78
Workers compensation	0.935%	$0.93\% + 0.005\%$	NSW Workers Compensation Industry Classification Rates and Dust Diseases Contribution 2024-25	Code 81120
Total	32.359%	—	—	—

On-cost tables: 1 July 2023 to 30 June 2024

Table 5: Local Government (State) Award 2024 - Councils on-costs calculator 1 July 2023 – 30 June 2024

Component	Opt-in councils	Formula	Calculation Details	Award Clause
Annual leave	7.69%	$4 \div 52$	4 weeks per 1 year of service	23.D.(i)(a)
Sick leave	5.77%	$3 \div 52$	3 weeks per 1 year of service	23.A.(i)
Long service leave	2.50%	$6.5 \div 260$ or $11 \div 260$	2.50% for up to 15 years' service (6.5 weeks over 5 years) 3.84% for over 15 years' service (11 weeks over 5 years)	23.E(i)
Public holiday	3.435	$9 \div 262$	9 days per 1 year (262 days excluding weekends)	22.A(i)
Superannuation	11.00%	—	ATO Super guarantee percentages for relevant Financial Year	n/a
Leave loading	n/a	—	—	—
Workers compensation	2.496%	$2.49\% + 0.006\%$	NSW Workers Compensation Industry Classification Rates and Dust Diseases Contribution 2024-25	Code 81130
Total	32.891%	—	—	—

Table 6: NSW Government on-costs calculator 1 July 2023 – 30 June 2024 Crown Employees (Public Service Conditions of Employment) Reviewed Award 2009 – State agencies

Component	Opt-in councils	Formula	Calculation Details	Award Clause
Annual leave	7.69%	$4 \div 52$	4 weeks per 1 year *annual leave loading 17.5% applies with conditions	77.1.1 & 78
Sick leave	5.77%	$3 \div 52$	3 weeks per 1 year (after first year of service)	79.6
Long service leave	1.67%	$2 \div 120$	2 months per 10 years (Long Service Leave Act 1955)	4.2.(a)(i)(A)
Public holiday	3.435	$9 \div 262$	9 days per 1 year excluding weekends (Public Holidays Act 2010)	19.1.1 & 4
Superannuation	11.00%	—	ATO Super guarantee percentages for relevant Financial Year	n/a
Leave loading	1.346%	$17.5\% * 7.69\%$	4 weeks per 1 year *annual leave loading 17.5% applies with conditions	77.1.1 & 78
Workers compensation	0.936%	$0.93\% + 0.006\%$	NSW Workers Compensation Industry Classification Rates and Dust Diseases Contribution 2024-25	Code 81120
Total	31.847%	—	—	—

On-cost tables: 1 July 2022 to 30 June 2023

Table 7: Local Government (State) Award 2024 - Councils on-costs calculator 1 July 2022 – 30 June 2023

Component	Opt-in councils	Formula	Calculation Details	Award Clause
Annual leave	7.69%	$4 \div 52$	4 weeks per 1 year of service	23.D.(i)(a)
Sick leave	5.77%	$3 \div 52$	3 weeks per 1 year of service	23.A.(i)
Long service leave	2.50%	$6.5 \div 260$ or $11 \div 260$	2.50% for up to 15 years' service (6.5 weeks over 5 years) 3.84% for over 15 years' service (11 weeks over 5 years)	23.E(i)
Public holiday	3.846%	$10 \div 260$	10 days per 1 year (260 days excluding weekends)	22.A(i)
Superannuation	10.50%	—	ATO Super guarantee percentages for relevant Financial Year	n/a
Leave loading	n/a	—	—	—
Workers compensation	2.371%	$2.37\% + 0.001\%$	NSW Workers Compensation Industry Classification Rates and Dust Diseases Contribution 2024-25	Code 81130
Total	32.677%	—	—	—

Table 8: NSW Government on-costs calculator 1 July 2022 – 30 June 2023 Crown Employees (Public Service Conditions of Employment) Reviewed Award 2009 – State Agencies

Component	Opt-in councils	Formula	Calculation Details	Award Clause
Annual leave	7.69%	$4 \div 52$	4 weeks per 1 year *annual leave loading 17.5% applies with conditions	77.1.1 & 78
Sick leave	5.77%	$3 \div 52$	3 weeks per 1 year (after first year of service)	79.6
Long service leave	1.67%	$2 \div 120$	2 months per 10 years (Long Service Leave Act 1955)	4.2.(a)(i)(A)
Public holiday	3.846%	$10 \div 260$	10 days per 1 year excluding weekends (Public Holidays Act 2010)	19.1.1 & 4
Superannuation	10.50%	—	ATO Super guarantee percentages for relevant Financial Year	n/a
Leave loading	1.346%	$17.5\% * 7.69\%$	4 weeks per 1 year *annual leave loading 17.5% applies with conditions	77.1.1 & 78
Workers compensation	0.911%	$0.91\% + 0.001\%$	NSW Workers Compensation Industry Classification Rates and Dust Diseases Contribution 2024-25	Code 81120
Total	31.733%	—	—	—

NSW Public Holidays Financial Year 2025/2026

Based on the NSW Public Holidays Act 2010, here is the list of public holidays that fell on a weekday in NSW for the 2025/26 financial year (1 July 2025 – 30 June 2026):

1. **Labour Day:** Monday, 6 October
2. **Christmas Day:** Thursday, 25 December
3. **Boxing Day:** Friday, 26 December
4. **New Year's Day:** Thursday, 1 January
5. **Australia Day:** Monday, 26 January
6. **Good Friday:** Friday, 3 April
7. **Easter Monday:** Monday, 6 April
8. **Anzac Day:** Monday 27 April
9. **King's Birthday:** Monday, 8 June

Note: In 2026, Anzac Day (April 25) falls on a Saturday, Monday 27 April declared an additional public holiday in February 2026.

NSW Public Holidays Financial Year 2024/2025

Based on the NSW Public Holidays Act 2010, here is the list of public holidays that fell on a weekday in NSW for the 2024/25 financial year (1 July 2024 – 30 June 2025):

1. **Labour Day:** Monday, 7 October 2024
 2. **Christmas Day:** Wednesday, 25 December 2024
 3. **Boxing Day:** Thursday, 26 December 2024
 4. **New Year's Day:** Wednesday, 1 January 2025
 5. **Australia Day (Additional Day):** Monday, 27 January 2025
 6. **Good Friday:** Friday, 18 April 2025
 7. **Easter Monday:** Monday, 21 April 2025
 8. **Anzac Day:** Friday, 25 April 2025
 9. **King's Birthday:** Monday, 9 June 2025
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NSW Public Holidays Financial Year 2023/2024

Based on the NSW Public Holidays Act 2010, here is the list of public holidays that fell on a weekday in NSW for the 2023/24 financial year (1 July 2023 – 30 June 2024):

1. **Labour Day:** Monday, 2 October 2023
2. **Christmas Day:** Monday, 25 December 2023
3. **Boxing Day:** Tuesday, 26 December 2023
4. **New Year's Day:** Monday, 1 January 2024
5. **Australia Day:** Friday, 26 January 2024

6. **Good Friday:** Friday, 29 March 2024
 7. **Easter Monday:** Monday, 1 April 2024
 8. **Anzac Day:** Thursday, 25 April 2024
 9. **King's Birthday:** Monday, 10 June 2024
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NSW Public Holidays Financial Year 2022/2023

Based on the NSW Public Holidays Act 2010, here is the list of public holidays that fell on a weekday in NSW for the 2022/23 financial year (1 July 2022 – 30 June 2023):

1. **Queen's Platinum Jubilee (National Day of Mourning):** Thursday, 22 September 2022
2. **Labour Day:** Monday, 3 October 2022
3. **Christmas Day (Additional Day):** Tuesday, 27 December 2022
4. **Boxing Day:** Monday, 26 December 2022
5. **New Year's Day (Additional Day):** Monday, 2 January 2023
6. **Australia Day:** Thursday, 26 January 2023
7. **Good Friday:** Friday, 7 April 2023
8. **Easter Monday:** Monday, 10 April 2023
9. **Anzac Day:** Tuesday, 25 April 2023
10. **King's Birthday:** Monday, 12 June 2023