

# ALERT

25 MARCH 2014

## Twenty-year-olds in an adults' world

On Friday 21 March 2014, the Full Bench of the Fair Work Commission (**Commission**) handed down a decision to vary the *General Retail Industry Award 2010* (**Award**) to pay 20-year-old retail workers the same rate of pay as adult workers, after six months with their employer.

Currently, 20-year-old retail workers receive 90 per cent of the relevant adult rate under the Award.

### The decision

The Shop, Distributive and Allied Employees Association (**SDA**) sought the increase as part of the two-year modern award review.

In making its decision, the Commission noted that the current rate of pay was 'not achieving the modern awards and minimum wages objectives', and in particular that:

- by the age of 20-years-old, a significant number of employees working in the retail industry have at least three years' experience;
- there is generally little difference between the work and duties that a 20-year-old performs, as compared to the

work and duties performed by 21-year-olds under the class of Retail Employee Level 1 in the Award; and

- most retail employees in this classification achieve a satisfactory level of proficiency in respect of their duties and responsibilities after about 6 months of employment.

### The implications

The new rate of pay will be phased-in over two years – 95% from 1 July this year and then the full amount from 1 July next year.

It is essential that employers ensure they pay their employees at least the minimum rates of pay under the Award and that any increases in minimum Award rates are appropriately passed on to employees.

### Want to republish any of this article?

If you would like to republish any part of this article in your staff newsletter or elsewhere please contact our Marketing team on **+61 3 9608 2168**

### Disclaimer

This article is intended to provide general information on legal issues and should not be relied upon as a substitute for specific legal or other professional advice.

### For further information please contact:

**Louise Houlihan**, Partner  
Phone (direct) **+61 3 9608 2273**  
Mobile **+61 409 835 809**  
Email [l.houlihan@cornwalls.com.au](mailto:l.houlihan@cornwalls.com.au)

