

ALERT

3 JUNE 2010

FWA minimum wage released

Fair Work Australia (**FWA**) is required to conduct an annual wage review and make a national minimum wage order. Following a three-month consultation period, the FWA minimum wage panel today released its first decision, ultimately increasing federal minimum weekly rates by \$26.

The decision, which follows last year's pay freeze by the Australian Fair Pay Commission in its final determination before being abolished, lifts the federal weekly minimum wage to \$569.90 (\$15 an hour) from \$543.78 (\$14.31 an hour), where it has been since 2008.

The summary of the panel's decision is as follows:

1. Minimum wages for national system Award employees (excluding those covered by Division 2B State Awards) increased by \$26 per week and 69 cents per hour on the basis of a 38 hour week.
2. The national minimum wage order, which applies to Award/Agreement free employees, will contain:
 - a. a national minimum wage of \$569.90 per week or \$15 per hour;
 - b. a casual loading of 21 per cent; and

- c. two special national minimum wages for Award/Agreement free employees with a disability: for employees with a disability whose productivity is not affected, a minimum wage of \$569.90 per week or \$15 per hour based on a 38 hour week; and for employees with a disability whose productivity is affected, an assessment under the Supported Wage System.

The increases take effect from the first full pay period on or after 1 July 2010. Modern Awards including the varied wage rates will be published shortly on FWA's website.

Employers planning to 'phase in' the pay provisions in Modern Awards will be required to calculate any transitional amounts using the varied wage rates.

A full copy of the decision is available online at <http://www.fwa.gov.au/sites/wagereview2010/decisions/2010fwafb4000.pdf>.



ALERT

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 Alert 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

Alexandra Klimovics, Lawyer
Phone (direct) **+61 3 9608 2232**
Mobile **+61 412 685 323**
Email a.klimovics@cornwalls.com.au