

ALERT

4 JUNE 2012

Minimum wage increase

Fair Work Australia (**FWA**) has announced its Annual Wage Review (**Review**) decision for the 2012/2013 income year.

From 1 July 2012, minimum award wages will be increased by **2.9%**. This increases the federal weekly minimum wage by \$17.10 to \$606.40 (\$15.96 an hour), up from \$589.30 (\$15.51 an hour).

This is the second year in a row that the result of the Annual Wage Review has led to a percentage-based increase (as opposed to the earlier period of flat-dollar rises).

In the Review, FWA President Justice Iain Ross, Senior Deputy Presidents Ian Watson and Anne Harrison, Commissioners Peter Hampton, John Vines, Professor Sue Richardson and Peter Dwyer, did not accept that employees should be compensated through the minimum wage adjustment for costs increases associated with the carbon tax; that this year's increase should be discounted because of the carbon price compensation package; and that future increases in the superannuation guarantee charge should be taken into account.

Please contact a member of our Employment & Industrial Relations team to discuss how this increase will impact your workforce, to ensure you are not underpaying your staff.

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To discuss how this increase will impact your workforce or for further information, please contact:

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