



# INDUSTRIAL RELATIONS ALERT

## Australian Fair Pay Commission's Federal Wage Decision

On 5 July 2007, the Australian Fair Pay Commission (AFPC) handed down its 2007 Minimum Federal Wage Decision under the new Federal WorkChoices Legislation.

The decision becomes operative as from the first pay period on or after 1 October 2007 and contains increases to the minimum wage rates as follows:

- A increase of \$10.26 per week in the standard Federal Minimum Wage (FMW); (increased to \$522.12 per week or \$13.74 per hours);
- An increase of \$10.25 per week (\$0.27 per hour) in all Australian Pay and Classification Scales up to \$700.00 per week; and
- An increase of \$5.30 per week (\$0.14 per hour) in all Pay Scales above \$700.00 per week.
- The FMW minimum hourly rate of \$13.74 per hour is multiplied by 38 or 40 (Ordinary hours of work according to the specific Award)

These increases will apply in all Federal Awards relative to organisations covered by the WorkChoices legislation (i.e. Constitutional Corporations). Employers and employees covered by collective agreements and individual agreements made after the introduction of WorkChoices (27 March 2006) are required to pay wages at least equal to the new minimum wages. Employees are entitled to receive the minimum wage rates included in a Pay Scale (previously reliant on a federal or state award (NAPSA)).

The Increases/Pay Scales do not apply to:

- Employees covered by the five-year transitional federal award system;
- Employees covered by A.W.As or Certified Agreements approved prior to WorkChoices; and
- Employees covered by preserved state agreements; and
- Employees not covered by WorkChoices

Attached are the updated Pay Rates. All Award Services subscribers will receive updated award sheets as soon as they are available.

For further information please contact the staff at ACSEA 3852 5177.