



Industrial Relations Alert

Australian Fair Pay Commission's Federal Wage Setting Decision

On 8 July 2008, the Australian Fair Pay Commission (AFPC) handed down its 2008 Minimum Wage Review Decision. This decision increases the pay scale rates prescribed in awards under the Federal Workplace Relations system and the Federal minimum wage.

The decision becomes operative from the first pay period on or after 1 October 2008 and contains increases to the minimum wage rates as follows:

- An increase of **\$21.66** per week (**\$0.57** per hour) in all Pay Scales.
- An increase of **\$21.66** per week (**\$0.57** per hour) in the standard Federal Minimum Wage.
- The Federal Minimum Wage (FMW) has increased to **\$543.78** per week or **\$14.31** per hour.

Under the Australian Fair Pay and Conditions Standard an employee cannot receive less than the FMW for each ordinary hour worked (excluding employees in receipt of a junior, apprentice, trainee or supported wage rate).

These increase will only affect employers covered by the Federal workplace relations system (known previously as WorkChoices). The new minimum wage rates will apply to:

- Employees covered by a Federal pre-reform award
- Employees covered by a Notional Agreement Preserving a State Award (a NAPSA is the version of the state award that applies to employers in the Federal System)
- Employees covered by individual or collective workplace agreements made after 27 March 2006.
- Non-award employees who are entitled to receive the FMW.

The increases will not apply to:

- Employees covered by preserved state agreements/awards.

Attached are the updated Pay Rate Sheets, these are also available on the ACSEA website. All Award Services subscribers will receive updated award sheets as soon as they are available.

For further information, please contact the ACSEA on (07) 3852 5177

ACSEA, Union of Employers maintains that every effort has been made to ensure that the information contained herein is accurate at the time of printing.