

2019 WAGE DECISION: MINIMUM WAGES INCREASED BY 3%

The Minimum Wage Panel (“**Panel**”) has today handed down its tenth minimum wage decision which increased the National Minimum Wage, together with all Modern Award minimum rates of pay, by 3%. The ACTU were asking for a \$43.15 increase in an attempt to make meaningful progress towards a living wage in Australia, whilst the Australian Retailers Association proposed a modest increase of 1.8% to bring balance back into such a difficult operating environment.

The Panel decided it was an adequate increase, taking into consideration that Australia’s economy has performed relatively well and employment has continued to expand.

From 1 July 2019, the National Minimum Wage will increase to \$740.80 per week, or \$19.49 per hour.

The following increases are most relevant to VANA members:

Award	Classification	Old Rate	New Rate
General Retail Industry Award	Retail Employee Level 1	Full-time/Part-Time: \$789.90 per week \$20.79 per hour Casual: \$25.99 per hour	Full-time/Part-Time: \$813.60 per week \$21.41 per hour Casual: \$26.76 per hour

What this means for you:

- i. Employers who pay their employees at the National Minimum Wage or Modern Award rates of pay will need to apply the increase in the first full pay period commencing on or after 1 July 2019;
- ii. Employers who currently pay above National Minimum Wage or Modern Award rates of pay are not obliged to increase their rates of pay but need to ensure their rates remain at least as beneficial, once the increase is applied; and
- iii. Employers who pay under enterprise agreements must ensure that the base rates in those agreements remain at least equal to the new minimum Modern Award rates.

Annualised Salaries and Individual Flexibility Agreements

If you have implemented Individual Flexibility Agreements, you will need to reassess those agreements to ensure employees remain “better off overall” when compared to the newly increased Modern Award rates.

If you pay any of your employees under annualised salary arrangements you will need to conduct an audit of those annualised salaries against the new Award rates and working patterns to ensure the annual salary compensates for award entitlements.

The VANA Employment Relations Team is currently updating wage tables to reflect the increase. We expect to have these uploaded to enableHR over the coming days.

For more information and detail on the decision, or assistance in assessing its impact on your business, please contact the VANA Employment Relations Team on (02) 8540 7000.