

Wage increases in 2020

Annual Wage Review - July

Each year the Fair Work Commission makes a ruling on whether to increase the national minimum wage, and by how much. In recent years this has been a percentage increase but can be a dollar figure, as it was in 2010 (\$26/week increase). This increase applies to all Modern Award wage rates and takes effect on 1 July of each year.

The need to account for the economic impacts of COVID-19 in the National Wage Review has delayed some steps in the 2020 review process. Due to these delays, some groups have asked for any increase to take effect on 15 July, rather than 1 July, but the FWC will determine whether this is necessary once all submissions have been made, including oral submissions made on 10 June 2020.

Equal Remuneration Order – December

The final instalment of the Equal Remuneration Order will take effect on 1 December 2020. This increase only applies to Jobs Australia Members who are covered by the SCHCADS Award or an agreement underpinned by the SCHCADS Award. This final instalment will bring the SCHCADS Award's transitional provisions to an end, aligning the pay rates for all states and territories and streamlining pay tables.

Enterprise Agreements

Members who are covered by an Enterprise Agreement should still pay attention to these increases, as employees must be paid at least the minimum base rate of pay according to the award they would otherwise be covered by (including the SCHCADS ERO if relevant). Some Enterprise Agreements specify their own pay increase to be implemented on 1 July, which still need to be passed on to employees if this is higher than the Annual Wage Review increase.

Above-award payments

Unless specified in an enterprise agreement or employment contract, an employee who is already receiving a rate of pay above the new minimum wage is not entitled to an equivalent pay increase. For example, in July 2019 the Labour Market Industry Award rate for a full-time administrative assistant level 1 increased from \$21.43 to \$22.08/hour. An employee at this level who is already receiving \$25/hour would not be entitled to an increase.

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