

Reference No: National Wage Increase 2018

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**FAIR WORK COMMISSION AWARDS A 3.5% PER WEEK INCREASE
TO MINIMUM AWARD RATES OF PAY**

On 1 June 2018, the Fair Work Commission awarded a 3.5% increase to **all** minimum award rates of pay based on a 38 hour week. **The 2018 wage increase applies from the first full pay period commencing on or after 1 July 2018.** The adjusted minimum rates of pay will be rounded to the nearest 10 cents.

The Federal Minimum Wage will increase as set out below:

Current Federal Minimum Wage	New Federal Minimum Wage
\$18.29 per hour	\$ 18.93 per hour
\$694.90 per week	\$ 719.20 per week

All other minimum award rates of pay will also increase by 3.5% per week.

The increase will apply for all businesses from the first full pay period commencing on or after 1 July 2018.

As the wage increase will apply to minimum award rates of pay only, the minimum wage increases will be fully absorbed into any existing over-award rates of pay. For example, if you already pay your tradesperson more than the new minimum Level 6 award rate of \$837.40 per week, the increase will **not** apply. Proportionate increases will flow on to junior employees and employees to whom training arrangements apply (apprentices and trainees), employees with a disability and casual employees.

New Wages Guides

VACC will update the Wages Guides for Victoria and Tasmania and they will be mailed to members before 1 July 2018.

The new Wages Guides will also be emailed to all members, and will be put on the Industrial Relations section of the VACC website at www.vacc.com.au before 1 July 2018.

These Wages Guides cannot be sent to members or placed on the VACC website until the Fair Work Commission issues formal determinations varying the modern awards.



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