

PLEASE FORWARD UPDATED WAGE GUIDES TO PAYROLL, HR OR FINANCIAL CONTROLLERS

Annual Minimum Wage Review

New Wages Guides - 1 July 2022

Members were notified on 15 June 2022 that a decision of the Fair Work Commission (FWC) awarded an increase to modern award minimum wages of 4.6%, subject to a minimum increase for adult award classifications of \$40 per week for a full-time employee.

Proportionate increases will also flow on to junior employees and employees to whom training arrangements apply (apprentices and trainees).

This means that from the **first complete pay period commencing on or after 1 July 2022**, the award minimum wage rates will increase. Employers should make sure they pay their employees at least the minimum rates.

The FWC has now issued final Determinations giving effect to the wage increase and adjustments to expense-related allowances, for the *Vehicle Repair, Services and Retail Award 2020* (VRSR Award) and *Clerks – Private Sector Award 2020*.

Wages Guides

Members can access the new **VRSR Wage Guide** [here](#) and **Clerks – Private Sector Wage Guide** [here](#). The new wage rates are also on the VACC Industrial Relations section of the Member website www.vacc.com.au.

Increase can be absorbed into existing over-award wage payments

Members are reminded that the increase to minimum award rates can be fully absorbed into any existing over-award rates of pay. Employers who pay their employees more than the minimum rate of pay, for example the new rate of \$940.90 for a tradesperson level (6), are **not** required to apply the wage increase.

When making the adjustment to rates of pay, employers will need to consider the effect on charge out rates to customers.

Superannuation Guarantee increase to 10.5 per cent from 1 July 2022

Members are also reminded that the Super Guarantee employer contribution rate increases from 10 per cent to 10.5 per cent of ordinary time earnings from 1 July 2022.

The new rate applies to wage payments made on or after 1 July 2022, including any work in that pay period performed prior to 1 July 2022.

Members seeking further information are encouraged to contact the Workplace Relations team on 03 9829 1123.

Daniel Hodges
Executive Manager – Workplace Relations
Industrial Relations | OHSE