

BULLETIN

Industrial Relations



Reference No: ANNUAL WAGE INCREASE – EFFECTIVE 1 JULY 2021

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

Annual Wage Review New Wages Guides - 1 July 2021

Members were notified on 16 June 2021 that a decision of the Fair Work Commission (FWC) awarded a 2.5% wage increase to adult minimum award rates of pay. This means that from the **first complete pay period commencing on or after 1 July 2021**, the award minimum wage rates will increase. Employers should make sure they pay their employees at least the minimum rates.

On 25 June 2021 the FWC issued 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

We have attached electronic versions of the guides. Members who wish to access the wage rates online can find them on the VACC website – VRSR Wage Guide [here](#) and Clerks - Private Sector Wage Guide [here](#).

Absorb wages into existing over-award wage payments

The increase 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 current rate of \$899.50 for a tradesperson level (6), are **not** required to apply the wage increase.

Other employees' wages affected by the increase

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

Employers when making the adjustment to rates of pay will need to consider the effect on charge out rates to customers.

The new wage rates are also on the VACC Industrial Relations section of the Member website <http://www.vacc.com.au/>.

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

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VACC