Bulletin Workplace Relations



Date: 01/07/2022

Reference No. Manufacturing, Associated Industries and Occupations Award/dh-06-22

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

Annual Minimum Wage Review

New Wages Guide – 1 July 2022

Manufacturing and Associated Industries and Occupations Award 2020 (Schedule B – Vehicle Manufacturing Employees)

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 *Manufacturing and Associated Industries and Occupations Award 2020.*

Wage Guide

Members can access the new **Wage Guide** <u>here</u>. The new wage rates are also on the VACC Industrial Relations section of the Member website <u>www.vacc.com.au</u>.

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 (V5), are <u>not</u> 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.

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

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