



FACT SHEET

Junior employees and employees to whom training arrangements apply

The Australian Fair Pay Commission is responsible for adjusting minimum wages within the federal jurisdiction. The Commission's wage-setting decisions apply only to employees and employers in this jurisdiction.

General Wage-Setting Decision 2009

The Commission decided on 12 June 2009 to:

- maintain the standard Federal Minimum Wage (FMW) at \$14.31 per hour¹ or \$543.78 per week; and
- maintain the adult² rates of pay in Australian Pay and Classification Scales (Pay Scales) at their current levels.

Minimum rates of pay including:

- junior rates in Pay Scales;
- minimum rates of pay for employees to whom training arrangements apply (i.e. apprentices and trainees); and
- basic periodic rates of pay for trainees undertaking National Training Wage Traineeships and related traineeships (including state Training Wage Traineeships);

have also not been varied.

This decision also applies to junior employees, employees to whom training arrangements apply, employees with a disability, casual employees and employees receiving basic piece rates of pay.

Since the 2008 general Wage-Setting Decision, the economic outlook has changed markedly. Employment growth is slowing, average working hours are falling, and the unemployment rate is expected to rise to 8.5 per cent. As in previous downturns, the impact of these changes in the labour market will be felt most acutely by low-paid, low-skilled workers.

In the current environment, the ability of employers to offer sufficient work has been curtailed and there is a heightened risk that an increase in minimum wages would reduce employment and working hours.

The Commission recognises that consumer prices continue to increase, putting some pressure on household disposable income. However, the Australian Government's changes to the tax/transfer system and its recent fiscal stimulus packages have

¹ The Commission's decision is required to be expressed in hourly rates of pay

² Where adult means a basic periodic rate of pay that does not explicitly apply to a class of employees with a disability, or employees to whom a training arrangement applies, or junior employees.

provided real increases to disposable income for most households maintaining the safety net.

Research shows that the burden of higher unemployment falls disproportionately on low-paid, low-skilled workers. It also falls on those attempting to gain a foothold in the labour market. Young workers are highly represented in these areas. The decision not to vary minimum wages at this time will help minimise the effect of the downturn on employment and particularly its impact on the most vulnerable workers.

In making this decision, the Commission has focused on protecting jobs and supporting a stronger recovery in employment as the economy improves.

Need further information?

If you would like more information on wage rates, call the **Fair Work Infoline** on **13 13 94** or visit **Fair Work Online** at www.fairwork.gov.au.

People with a hearing and/or speech impairment can contact the **National Relay Service** on **133 677**, **freecall 1800 555 677** or by internet at www.relayservice.com.au.

If you would like to view the Commission's decision in full, or check other fact sheets in this series, you can visit the **Australian Fair Pay Commission website** at www.fairpay.gov.au.