



General Wage-Setting Decision 2008



FACT SHEET

Casual loadings and basic piece rates of pay

The Australian Fair Pay Commission's general Wage-Setting Decision 2008 has two main elements:

- an **increase** of \$21.66 per week (\$0.57 per hour) to the standard FMW, bringing the weekly rate to \$543.78. The standard FMW increases from \$13.74 to \$14.31 per hour; and
- an **increase** of approximately \$21.66 per week¹ (\$0.57 per hour) in adult² Pay Scales.

The decision takes effect from the first pay period on or after 1 October 2008.

In general, the decision applies these increases to the minimum rates in accordance with the way they were increased by general wage increases in the past.

Casual employees

General Wage-Setting Decision 2008 will increase minimum rates of pay for casual employees by adjusting base rates of pay by the general Wage-Setting Decision 2008.

As a consequence of this increase, casual employees on minimum wages will receive a higher base rate of pay and a higher dollar value for any given casual loading because the casual loading is applied to a higher base rate.

Where Pay Scales provide a flat dollar amount for casual employees, these rates are increased by the same amounts and in the same way as the general increase.

Piece rate workers

The *Workplace Relations Act 1996* distinguishes between a basic piece rate of pay and an incentive-based payment which is underpinned by basic periodic rates of pay.

In general, the Commission has decided to increase the minimum rates of pay for piece workers in accordance with the way they were increased by general wage increases in the past. This means that where the relevant Pay Scale contains a formula to calculate the piece rate, the rate is updated using the formula.

Where there is no percentage or formula for adjustment in the Pay Scale, the basic piece rate is increased by 4.15 per cent – a flow on of general Wage-Setting Decision 2008.

However, where the adjustment would result in an anomalous outcome inconsistent with the Commission's intention to flow on its general Wage-Setting Decision 2008 to piece rate workers, the affected person or business may make a submission to the Commission. For information about how to make a submission, contact the Commission Secretariat on **1300 139 699** or email submissions@fairpay.gov.au.

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.

Need further information?

If you would like more information on wage rates, call the **Workplace Infoline** on **1300 363 264**.

People with a hearing and/or speech impairment can contact the **National Relay Service** on **133 677** or **freecall 1800 555 677**.

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.

