Annual Wage Review Decision – 2.4%

The Fair Work Commission has handed down its annual review of minimum wages, including those in modern awards. The Federal Minimum Wage and the rates of pay in all the modern awards will increase by 2.4% from the first full period which commences on or after 1st July 2016.

The new minimum wage will be $672.70, or $17.70 per hour based on a 38 hour week. This rate is for permanent employees. All weekly rates of pay in modern awards will be rounded to the nearest 10 cents.

Employers who pay under modern awards will need to ensure that wages are adjusted to conform with this Decision.

Employers who have enterprise agreements need to check to ensure that the rates of pay under their agreement are equal to, or better than, the new increased rates. Also, where an enterprise agreement provides for an escalation of agreement rates (and where appropriate, allowances) tied to the Annual Wage Review, that appropriate adjustments are made.

[Annual Wage Review Statement [2016] FWCFB 3506 (31 May 2016)](https://www.fwc.gov.au/documents/sites/wagereview2016/decisions/2016FWCFB3506.pdf)