



Fair Work Commission Increases Minimum Wage

Recent increases in interest rates and the cost of living have made it progressively difficult for ordinary working people to make ends meet.

For the lowest paid workers in Australia – those paid the federal minimum wage or minimum Modern Award rates – estimated to be around 21% of workers – a recent decision of the Fair Work Commission will provide some (modest) relief.

Every year the Fair Work Commission reviews the federal minimum wage and minimum wage rates set in Modern Awards.

This year, the Fair Work Commission has announced a 5.75% increase in minimum rates set in Modern Awards and an 8.65% increase in the federal minimum wage.

From 1 July 2023, the federal minimum wage will increase to \$882.80 per week for full time employees (up from \$812.60), \$23.23 per hour for part time employees (up from \$21.38), and \$29.03 per hour for casual employees (up from \$26.73).

Andersons' employer clients should ensure that these increases are passed on from the first full pay period after 1 July 2023 to all employees who are covered by Modern Awards or paid the federal minimum wage. Care should also be taken in relation to employees who are covered by Modern Awards but are paid an annualised salary, in order to ensure that the salary paid does not fall below minimum standards. Any breach of legal minimum rates by employers can result in very significant fines in addition to potential reputational damage.

How can Andersons help?

If any of our clients – whether employee or employer, requires advice about how these changes will affect you or your business, please contact [**Margaret Kaukas, Special Counsel**](#) at Andersons Solicitors.

Find out more about the minimum wage increase here at [**www.fairwork.gov.au**](http://www.fairwork.gov.au)