TASMANIAN INDUSTRIAL COMMISSION

Industrial Relations Act 1984

s23 application to vary the Tasmanian minimum wage

Tasmanian Trades and Labor Council (T14984 of 2022)

PUBLIC SECTOR AWARDS

PRESIDENT D BARCLAY
DEPUTY PRESIDENT N ELLIS
COMMISSIONER T LEE

HOBART, 23 DECEMBER 2022

Wage Rates - Tasmanian minimum wage rate determined at \$812.60 pw - s47AB - supported wage varied to \$95.00pw -training wage increases by 5.2% - operative date from 1 August 2022

DECISION

- [1] On 30 November 2022 the Tasmanian Trades and Labor Council (TTLC) lodged an application seeking to:
 - Vary the Tasmanian minimum wage for an adult in full-time employment specified by s 47AB of the *Industrial Relations Act 1984* (the Act) by an increase of 5.2% to become \$812.60 per week effective from 1 August 2022, and to increase the minimum wage contained in awards to the same level.
 - Increase the minimum wage payable to persons engaged under the supported wage system to \$95.00.
 - Adjust salary rates in the Tasmanian State Service National Training Wage Award by an increase of 5.2%.
- [2] This application arises from the *Annual Wage Review* 2021-2022 of the Fair Work Commission (FWC) handed down on 15 June 2022.
- [3] The matter proceeded to hearing on 22 December 2022. Marta Hodul-Lenton appeared on behalf of the Tasmanian Trades and Labor Council (TTLC), Stuart Locke appeared on behalf of the Minister administering the State Service Act 2000 (MASSA), James Milligan appeared for the Health Services Union, Tasmania Branch (HSU), James Katarzynski appeared for the United Workers' Union (UWU) and Mitch Wilkinson appeared for the Australian Education Union (AEU). In addition the following organisations provided written consent to the application: Police Association of Tasmania (PAT), Australian Nursing and Midwifery Federation (Tasmanian Branch), and Commissioner of Police
- [4] Ms Hodul-Lenton provided submissions in support of the application. In her written submissions she said:

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¹ [2022] FWCFB 3500

- "The Fair Work Commission's annual wage review raised the national minimum wage by 5.2% from \$20.33 an hour to \$21.38 an hour or \$812.60 for a 38-hour week commencing 1 July 2022. It also raised the supported wage system minimum to \$95 per week.
- In determining that this rise was appropriate, the Fair Work Commission noted that the cost of living has risen sharply at the same time as awardreliant employees and low-paid employees, who are particularly vulnerable in the context of rising inflation, have seen a fall in their real wages.
- We note that here in Tasmania, real wage cuts are hurting workers struggling to keep up with the highest inflation in the country. Tasmanian CPI has regularly topped the nation over the past decade and in September 2022 reached 8.6%, well above the national average of 7.3%.
- In recent years, the Tasmanian Industrial Commission has aligned our minimum wage rise with the rise determined by Fair Work and we submit that this remains a fair and reasonable way to maintain the Tasmanian minimum wage.
- We also note the Commission must have regard to the public interest in exercising its jurisdiction to determine the minimum weekly wage and to vary the Awards. It is our submission that it is in the public interest to increase Tasmania's minimum wage in line with the national minimum wage order to maintain a relevant minimum safety net.
- In relation to the supported wage system, custom and practice has seen the rate increase in line with the national supported wage minimum and consistent with income tests for pensions set by the Department of Social Services. These have been published and we seek that the supported wage minimum be increased to \$95 per week.
- With respect to the Tasmanian State Service National Training Wage Award, we note that clause 12(d) of this Award provides that all wage rates are to be adjusted, effective from 1 August 2022, by the same percentage that the Tasmanian Minimum Wage increases, as determined in accordance with section 47AB of the Industrial Relations Act 1984. Accordingly, the application before you includes an increase of 5.2% to the wage rates in this Award."
- [5] As pointed out by Ms Hodul-Lenton the Commission has aligned the Tasmanian minimum wage with that determined by the Fair Work Commission over the recent past. In the present circumstances and noting the unanimous consent, we consider that it is consistent with the public interest to continue the alignment on this occasion. We also note s35(7) of the *Industrial Relations Act 1984* which provides:
 - "(7) Subject to this section, where a Full Bench is satisfied that, having regard to a decision of the Australian Commission that is applicable to the wages payable generally to employees who are subject to awards of the Australian Commission in Tasmania, a variation should be made to the wages payable generally to employees under awards of the Commission, the Full Bench may order that any such variation be made."
- **[6]** The parties who appeared endorsed the submissions made by the TTLC and agreed the variations are in accordance with the public interest. As noted all written submissions also supported the Application.

- [7] Pursuant to s47AB of the Act we determine that the Tasmanian minimum wage for an adult in full-time employment will be \$812.60 per week effective from 1 August 2022.
- [8] Awards containing a supported wage clause will be varied to reflect the new supported wage of \$95 per week effective from 1 August 2022. We note that this rate has historically been set at an income level which does not compromise benefits received under the Disability Support Pension.
- **[9]** The training wage is also increased by 5.2% for those covered by the Tasmania State Service National Training Wage Award.
- **[10]** Pursuant to s 23 of the Act, awards containing minimum wage and supported wage clauses will be varied to reflect this decision.
- [11] All Award variations arising from this decision will be effective from 1 August 2022.
- [12] Orders arising from this decision will be settled by the Registrar with recourse to the President.



Appearances:

L Hodul-Lenton for TTLC S Locke for MASSA J Milligan for HSU J Katarzynski for UWU M Wilkinson for AEU

Date and place of hearing:

2022 22 December **HOBART**