

TASMANIAN INDUSTRIAL COMMISSION

Industrial Relations Act 1984

s35 application for increase in Tasmanian minimum wage

Tasmanian Trades and Labor Council

(T14623 of 2018)

PUBLIC SECTOR AWARDS

PRESIDENT D BARCLAY
DEPUTY PRESIDENT NM ELLIS
COMMISSIONER T LEE

HOBART, 13 DECEMBER 2018

Wage Rates - Tasmanian minimum wage rate determined at \$719.22pw – s47AB - supported wage varied to \$86.00pw – salary rates - operative date from first full pay period on or after 1 August 2018

DECISION

[1] On 13 November 2018 the Tasmanian Trades and Labour Council (TTLC) lodged an application seeking to:

- Vary the Tasmanian minimum wage for an adult in full-time employment specified by s47AB of the *Industrial Relations Act 1984* (the Act) by an increase of 3.5% to become \$719.22 per week effective from 1 August 2018, 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 in accordance with past practice.
- Adjust salary rates in the Tasmanian State Service National Training Wage Award by an increase of 3.5%.

[2] This application arises from the Annual Wage Review 2017-18 of the Fair Work Commission (FWC) handed down on 1 June 2018.¹ In its decision the FWC Full Bench noted:

“[489] The national minimum wage order will contain:

- (a) A national minimum wage of \$719.20 per week or \$18.93 per hour;
- (b) Two special national minimum wages for award/agreement free employees with disability: for employees with disability whose productivity is not affected, a minimum wage of \$719.20 per week or \$18.93 per hour based on a 38-hour week, and for employees whose productivity is affected, an assessment under the supported wage system, subject to a minimum payment fixed under the SWSS;
- (c) Wages provisions for award/agreement free junior employees based on the percentages for juniors in the Miscellaneous Award 2010 applied to the national minimum wage;

¹ [2018] FWCFB 3500

(d) The apprentice wage provisions and the National Training Wage Schedule in the Miscellaneous Award 2010 for award/agreement free employees to whom training arrangements apply, incorporated by reference, and a provision providing transitional arrangements for first year award/agreement free adult apprentices engaged before 1 July 2014; and

(e) A casual loading of 25 per cent for award/agreement free employees.

[490] The outcome of this Review in relation to modern award minimum wages is that from the first full pay period on or after 1 July 2018 minimum weekly wages are increased by 3.5 per cent, with commensurate increases in hourly rates on the basis of a 38-hour week.

[492] The increase applies to modern award minimum wages for junior employees, employees to whom training arrangements apply and employees with disability, and to piece rates, through the operation of the methods applying to the calculation of those wages. Wages in the NTWS will be increased by 3.5 per cent."

[3] The matter proceeded to hearing on 12 December 2018. Ms M Hodul-Lenton entered an appearance for the TTLC. Ms N Marzella appeared for the Australian Education Union, Tasmanian Branch (AEU), Mr M Gough for the Community and Public Sector Union (State Public Services Federation Tasmania) Inc (CPSU), and Mr L Hills for the United Firefighters Union of Australia, Tasmania Branch (UFUA). Ms L Ross appeared for the Minister administering the State Service Act 2000 (the Minister).

[4] Ms Hodul-Lenton provided submissions in support of the application. TTLC submitted to not depart from the approach to apply the minimum wage Increases "in line with that determined by Fair Work". Ms Hodul-Lenton stated the 3.5% increase raises the minimum wage from \$694.90 to \$719.22. Further, the minimum wage payable to persons engaged under the supported wage system will increase to \$86.00pw and the salary rates in the Tasmanian State Service National Training Wage Award be increased by 3.5%. She submitted the increases are in the public interest and maintain the relevant safety net minimum.

[5] Ms Marzella, Mr Gough and Mr Hills endorsed the submissions made by the TTLC and agreed the variations are in accordance with the public interest.

[6] Emailed correspondence was received, prior to the hearing, from the Australian Nursing and Midwifery Federation, (Tasmanian Branch), The Australian Workers' Union, Tasmania Branch, the Health Services Union, Tasmania Branch, United Voice and the Police Association of Tasmania, consenting to the application.

[7] Ms Ross submitted the Minister did not oppose the proposed increase of 3.5% to the Tasmanian minimum wage and the supported wage and noted the increase had a minimal impact on the Tasmanian State Service. Ms Ross supported the 3.5% increase to the Tasmanian National Training Wage Award but submitted that as there is no minimum wage enabling clause in that award that the increase be effective as of the date of the decision. Ms Hodul-Lenton submitted that the effective date should be the same as for the minimum wage increases.

[8] 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.

[9] Pursuant to s47AB of the Act we determine that the Tasmanian minimum wage for an adult in full-time employment will be \$719.22 per week effective from the first full pay period commencing on or after 1 August 2018.²

[10] Awards containing a supported wage clause will be varied to reflect the new supported wage of \$86 per week effective from the first full pay period commencing on or after 1 August 2018³. We note that this rate has historically been set at an income level which does not compromise benefits received under the Disability Support Pension.

[11] Salaries contained in the Tasmanian State Service National Training Wage Award will be increased by 3.5%, effective from the first full pay period commencing on or after 1 August 2018, as determined by the Full Bench.⁴

[12] Pursuant to s23 of the Act, awards containing minimum wage and supported wage clauses will be varied to reflect this decision.

[13] All Award variations arising from this decision will be effective from the first full pay period commencing on or after 1 August 2018. Noting Ms Ross' submission regarding the commencement of the increase to the training wage, we determined that as a matter of fairness, uniformity and the fact that the financial impost on commencing the training wage at the same time as the increase in the minimum wage was minimal, that the increase in the training wage should commence at the same time as the increase in the minimum wage.

[14] Orders arising from this decision will be settled by the Registrar with recourse to the President.



D Barclay
President

Appearances:

Ms L H Lenton for TTLC

Ms L Ross for MASSA

Mr M Gough for CPSU

Ms N Marzella for AEU

Mr L Hills for the UFUA

Date and place of hearing:

2018

December 12

HOBART

² Annexure 1

³ Ibid

⁴ Ibid

Annexure 1

Award	Tasmanian Minimum Wage	Supported Wage System
AWU (Tasmanian State Sector) Award	\$719.22	\$86.00
Custodial Officers Award	\$719.22	\$86.00
Facility Attendants (Tasmanian State Service) Award	\$719.22	\$86.00
Governor of Tasmania Staff Award	\$719.22	\$86.00
Health and Human Services (Tasmanian State Service) Award	\$719.22	\$86.00
Legal Practitioners Award	\$719.22	\$86.00
Nurses and Midwives (Tasmanian State Service Award)	\$719.22	N/A
Parliamentary Staff Award	\$719.22	\$86.00
Police Award	\$719.22	N/A
Port Arthur Historic Site Management Authority Award	\$719.22	\$86.00
Ambulance Tasmania Award	\$719.22	N/A
Tasmanian Fire Fighting Industry	\$719.22	N/A
Tasmanian State Service Award	\$719.22	\$86.00
TasTAFE Teaching Staff Award	\$719.22	\$86.00
Teaching Service (Tasmanian Public Sector) Award	\$719.22	\$86.00