

## **NEWS FLASH**

### **Wage freeze for low-paid, pay-scale dependent workers**

In its final minimum rates determination, the Australian Fair Pay Commission (AFPC) has decided to freeze the wages of low-paid, pay-scale-dependent workers.

The AFPC has been responsible for setting minimum rates of pay. In a decision intended to protect jobs and to support a stronger recovery in employment as the economy picks up, the AFPC has announced its decision to leave Australia's Federal Minimum Wage unchanged at **\$543.78** per week. The Australian Pay and Classification Scales will also remain unchanged at their present levels throughout 2009.

The Commission considered that in the current environment, the ability of employers to offer sufficient work has been curtailed and there is a heightened risk that an increase in regulated minimum wages would reduce employment and working hours. The AFPC has therefore decided, following its 2009 Minimum Wage Review that minimum wages will remain at their current levels and not be increased.

For employers who pay by the minimum wage, this decision is a welcome relief as they can focus on surviving during an economic downturn without the additional burden of increasing labour costs.

From 1 August 2009, the task of setting national minimum wages transfers to the Minimum Wage Panel of Fair Work Australia.

**To obtain further information or discuss your business needs further, please contact Andrew Bland at [abland@blandslaw.com.au](mailto:abland@blandslaw.com.au)**