

The Fair Work Commission has just handed down the 2017 wage decision, increasing the national minimum wage and base rates of pay in modern awards.

## Wage increase

The minimum wage has been increased by 3.3% to \$694.90 per week or \$18.29 per hour (a 59 cents per hour increase on the minimum wage).

In keeping with recent years' decisions, modern award rates will also increase by 3.3%.

Apprentice and trainee rates will increase by proportionate amounts.

Allowances will be increased by Fair Work Commission orders over the next few weeks.

## Operational date

The increase will have effect from the first full pay period on or after 1 July 2017.

## Who does this affect?

This decision affects all employees who a modern award applies to. If you have award based employees who are paid above award rates, the 'absorption' principle means that you do not have to increase above-award payments unless the new award minimum is higher than the employee's current rate, in which case you must pay at least the new minimum.

Employers who have enterprise agreements in place (including pre-Fair Work Act 2009 documents) will need to ensure that the base rate of pay is at least equal to the award minimum. This requirement only applies to the base rate of pay and does not extend to allowances, penalty rates or loadings.

**NB:** even if an agreement has expired, it remains in force until it is [replaced](#) by a new one or the Commission [terminates](#) the agreement. This applies to most [pre-Fair Work Act 2009](#) agreements.

## Need more information

If you would like further information about award rates, or to check your existing agreement rates, please contact the team at Fair Work Lawyers.



**Tom Earls**  
Partner  
tom@fairworklawyers.com.au  
m: 0409 939 010



**David Putland**  
Partner  
david@fairworklawyers.com.au  
m: 0419 839 125

The information contained in this publication is general in nature and does not constitute legal advice. The reader should seek legal advice in relation to their own specific circumstances.

© 2017 Fair Work Lawyers. Current as at 6 June 2017.