



# SADA IR UPDATE



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## Minimum Wage Adjustment 2022

On 15<sup>th</sup> June 2022 the Fair Work Commission announced the outcome of its [Annual Wage Review 2021-22](#). In doing so this year's Minimum Wage has been split into two adjustments:

1. the [National Minimum Wage](#) will increase the lower paid rates by \$40 per week, which amounts to an increase of 5.2%
2. [award minimum wages](#) will increase by 4.6%, which is subject to a minimum increase for award classifications of \$40 per week and based on a 38-hour week for a full-time employee.

This decision means the minimum weekly rates prescribed by the Awards will be increased as follows:

1. \$40.00 per week for Award wage rates below \$869.60 per week or
2. 4.6% for award wage rates above \$869.60
3. The national minimum wage will be increased to **\$21.38 per hour**, or **\$812.60 per week**. This rate has been calculated on the basis of a 38-hour week for a full-time employee.
4. That same increase for a casual employee is to include the 25% casual loading taking the hourly rate of \$21.38 to \$26.73.

Fulltime and part time employees must not earn less than the minimum wage of \$21.38 per hour. Casuals must not earn less than \$26.73 per hour. These rates are the adult rates for the first 38 hours. Overtime rates apply after that.

If you have an Individual Flexibility Arrangement Agreement, an Enterprise Agreement or a salary, the same formula apply so as no one is be paid less than the minimum wage. If you are paying above the Award rates the extra maybe absorbed by the new increases.

The increases for most Awards including the Pastoral Award 2022, will come into effect on the first full pay period commencing on or after 1<sup>st</sup> July 2022.

The Fair Work Commission is yet to update the Award rates which will be provided in the next Member Update after those rates are released.

## Superannuation

The Superannuation Guarantee Contribution which is payable by employers will also increase on 1<sup>st</sup> July 2022 to 10.5%. From 1<sup>st</sup> July 2022 the rate will apply to all employees including those who were previously exempted because they earned less than \$450 per month.

When junior employees work more than 30 hours in a week, superannuation contributions are payable.

This amount is calculated on Ordinary Time Earnings only. Superannuation is NOT payable on overtime.

## Return to Work Levy

There will be an increase in the employers' levy in this state from 1<sup>st</sup> July 2022. The employers' levy also considers the costs of injuries in each industry. The industry rates in Agriculture as shown on the Return to Work SA website are as follows;

014406	Sheep-Beef Cattle Farming	4.994%
014501	Grain-Sheep or Grain-Beef Cattle Farming	2.834%
014901	Other Grain Growing	2.831%
015901	Other Crop Growing n.e.c.	4.329%
016001	Dairy Cattle Farming	5.898%
017101	Poultry Farming (Meat)	4.573%
017201	Poultry Farming (Eggs)	4.875%
019201	Pig Farming	6.518%
019306	Beekeeping	4.273%
019901	Other Livestock Farming n.e.c.	4.318%
052201	Shearing Services	6.272%
052901	Other Agriculture and Fishing Support Services	2.977%

## Paying your premium/levy

You can choose to pay your premium in 9 equal instalments from October to June or one annual payment in October.

Your first premium payment is due on 7 October each year.

Further information is available at [Industry classifications and rates \(rtwsa.com\)](http://industryclassificationsandrates.rtwsa.com)

If you have any queries, please don't hesitate to contact the SADA Office on 8293 2399 or email [sada@sada.asn.au](mailto:sada@sada.asn.au)

**SADA members are entitled** to contact MERS for a free half hour consultation, per member per year.



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