



ABN 65 142 608 204

Dear Members

GENERAL RETAIL AWARD - CHANGE TO 20 YEAR OLD RATES OF PAY FROM JULY 1 – UP FROM 90% TO 95% ADULT RATE

The Fair Work Commission has scrapped the 90% rate for 20-year-old retail workers, finding they should receive the full adult pay after six months with an employer.

The General Retail Industry Award's 90% rate for 20-year-old employees was "not a fair and relevant minimum safety net". The Commission ordered the phasing-in of the new 100% rate in two increments - 95% from July 1 this year, then the full amount from July 1 next year.

The Commission said the evidence showed that most junior retail workers achieved a satisfactory level of proficiency after about six months and there was little difference between the duties and responsibilities of 20-year-olds and their 21-year-old counterparts, who are on the full adult rate. At the age of 20, a significant number of employees in the retail industry have at least three years of experience;

The Commission did not specify the hours, range of work, or training requirements to be undertaken in the six-month qualifying period saying: "We have sought to provide both a fair and easy to administer basis for recognising the work performed by employees of 20 years of age in the retail industry who have had more than six months experience in the employer's workplace."

The retail award currently provides for 18-year-olds to receive 70% of the adult rate, and 19-year-olds 80%.

The Commission considered that the likely cost impact of the variation would be moderate and would not have a significant negative impact on business costs, the viability of retail businesses or employment growth.

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