



## Mediation and Employment Relations Service

135 Fullarton Road Rose Park SA 5067 Phone: 08 8331 2422

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### SADA Member Update May 2018

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#### **MAY 2018 IR NEWS**

The following developments in industrial relations in the coming months include the following:-

The Unions have submitted a claim for \$50.00 a week (or 7.2%) increase in the minimum wage to come into effect on 1<sup>st</sup> July 2018. Employer groups will be opposing that amount of increase on the grounds of job losses. The Fair Work Commission is currently hearing submissions from interested parties and a decision is expected in early to mid June 2018.

If an increase is approved (that is the most likely outcome) it is likely to come into effect from the first pay period commencing on or after 1<sup>st</sup> July 2018. We will advise you when the decision is handed down and will then make the new wage rates and allowances available to you.

#### **Family and Domestic Violence Leave and Family Friendly Working Arrangements**

As part of the Fair Work Commission's review into modern awards, it was decided to amend Awards to include unpaid family domestic leave. It was decided that the family friendly working arrangements should also be included in Awards. The following is a brief summary of both:

Hearings in the Fair Work Commission have heard that the Australian Council of Trade Unions claimed an uncapped amount per occasion but this was subsequently rejected and the claim amended to 20 days unpaid leave per annum. Employer representatives have argued for 3 days unpaid leave per year.

The FWC Full Bench decided that unpaid family and domestic leave to up to 5 days unpaid family and domestic violence leave as a minimum safety net and that this leave is not accumulative. This decision will be reviewed in June 2021 to establish if the leave provisions are to be varied including whether paid leave should apply.

#### **Superannuation Guarantee Contribution Correction**

In the last Member Update we inserted a Table indicating that the Superannuation Guarantee Contribution will increase on 1<sup>st</sup> July 2018. **That was an error.**



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Based on revised laws, the Superannuation Guarantee Contributions (SGC) rate will remain at 9.5% for another 3 years (until 30 June 2021). The correct information appears in the table below;

<b>Financial year</b>	<b>Superannuation Guarantee Rate</b>
2017 / 2018	9.5%
2018 / 2019	9.5%
2019 / 2020	9.5%
2020 / 2021	9.5%
2021 / 2022	10.0%
2022 / 2023	10.5%
2023 / 2024	11.0%
2024 / 2025	11.5%
2025 / 2026	12.0%

The Superannuation Guarantee rate remains at 9.5% for the 2018/2019 financial year. Superannuation Guarantee contributions are compulsory employer superannuation contributions paid to eligible employees eg employees who earn in excess of \$450 per calendar months and employees under 18 years of age who work 30 hours or more per week.

### Single Touch Payroll

A reminder that the Single Touch Payroll (“STP”) the Australian Government is introducing a new payroll reporting requirement.

Any workplace with 20 or more Employees will be required to comply with the requirements of STP Reporting on the 1st of July 2018.

Any workplace with less than 20 employees is to comply on the 1st of July 2019 (subject to legislation being passed).