

RESTAURANT & CATERING AUSTRALIA
ANNUAL WAGE REVIEW 2020-21 FACT SHEET
16 June 2021



Background:

Each year the Fair Work Commission is tasked with handing down a decision in relation to the minimum wage and award rates across the Australian economy. The Fair Work Commission today handed down its Decision into the 2020-21 Annual Wage Review. In its Decision, the Commission has taken into consideration the advocacy by Restaurant and Catering Australia about the continued devastating impacts of snap lockdowns and the lagging recovery in the restaurant and hospitality industries.

R&CA was invited to participate in the Public Hearings and argued that any decision should be deferred because of the recent wage increase and the proposed increases to superannuation to allow restaurant, café and catering businesses the best opportunity to survive through this period of uncertainty. R&CA strongly objected to and advocated against the union's proposals for a 3.5% increase from 1 July 2021.

Decision:

1. Today's FWC Decision determined that the National Minimum Wage (NMW) and Modern Award Base Rates would be **increased by 2.5%**, meaning the new NMW is now:
 - a. \$772.60 per week or \$20.33 per hour.
2. However, the Commission also determined that there will be a progressive and staged increase across the economy which in effect delays the increase in the worst affected industries:
 - a. 1 July 2021 - Fast Food Industry Award 2010
 - b. 1 September 2021 - General Retail Industry 2020
 - c. **1 November 2021 - Restaurant Industry Award 2020 and Hospitality Industry (General) Award 2020**
3. The FWC also determined that casual loadings to be retained at 25%.

Implications

Businesses employing staff under either the Restaurant or Hospitality Award do not have to do anything at this time as the wage increase had effectively been **delayed until 1 November 2021, where it will rise by 2.5%**. Business under the Fast Food Award will have a wage increase of 2.5% from 1 July 2021. Further details together with an updated wages table will be issued to members in due course. However, from 1 July 2021, the Superannuation Guarantee increase comes into effect from 9.5% to 10% for all employers.