

SUBMISSION IN REPLY

Annual Wage Review 2020-21

Date 14 May 2021 Contact Scott Harris

Workplace Relations & Business Policy, National Manager

E: scott.harris@guild.org.au





CONTENTS

Introduction	3
About Pharmacy Guild of Australia	3
Guild's Position	3



INTRODUCTION

- The Pharmacy Guild of Australia (the 'Guild') welcomes the opportunity to make a submission to the Fair Work Commission Expert Panel (the 'Expert Panel') for the 2020-21 Annual Wage Review (the 'AWR').
- 2. It is our intention to focus on points that are relevant to the community pharmacy sector, small business operations and the experience of our members in their businesses.

ABOUT PHARMACY GUILD OF AUSTRALIA

- The Guild is a national employer industry association representing the owners of community pharmacies which are primarily small businesses providing a range of professional health services and associated products to all Australians.
- 4. These owners of Australia's 5,800-plus community pharmacies need to strike a balance between running a viable small business and providing primary and preventive health care to their patients.
- 5. Many of the Guild's members are small businesses that employ 15 or fewer employees, these community businesses together account for the employment of more than 70,000 full time, part time and casual employees directly.
- 6. As a federally registered industrial organisation, the Guild develops workplace and business policy and participates with other organisations to shape public debate on major workplace relations and business issues.

GUILD'S POSITION

- 7. The AWR is an essential component of the Australian Industrial Relations landscape in the maintenance of the minimum safety net for Award entitlements.
- 8. In considering whether to vary the Award's minimum rates of pay, the Expert Panel must have regard to the economic factors as referenced in the Minimum Wages Objective¹, the Modern Award Objective² and other general matters as prescribed in the *Fair Work Act 2009*.



¹ Section 284 of the Fair Work Act 2009

² Section 578(a) of the Fair Work Act 2009

- In addition, the Expert Panel must consider the performance and competitiveness
 of the national economy and the likely impact of any exercised functions on
 businesses.
- 10. The Guild encourages the Expert Panel to take a holistic approach to the task of balancing all considerations carefully in the decision-making process.
- 11. The Guild acknowledges some sectors of the Australian economy continue to be adversely affected by measures introduced to contain the spread of COVID-19, such as tourism, education, entertainment and hospitality businesses.
- 12. The Guild notes that the distribution of economic loss and recovery has been uneven across the Australian landscape and an increase to the minimum wage cannot be tailored towards the needs of any particular industry, occupation or employer/employee
- 13. The Guild notes that award reliance is extremely high in the community pharmacy sector and therefore any decision will have a direct impact on the vast majority of businesses.
- 14. The Guild notes sufficient information has been provided by other submissions on the economy including data that needs to be carefully weighed in the decisionmaking process.
- 15. The last 12 months have been a challenging period for all businesses including employers and employees, due to the impact of COVID 19 on current operations and the potential future.
- 16. The Guild has formed the opinion that if the Expert Panel does determine that the Award minimum wages need to be increased by an amount, CPI and the forecasted wage growth in the 2021/22 Federal Budget are aligned and could be the used as a guide to this decision making process.
- 17. Nevertheless, if the Expert Panel decides that an increase above the CPI is necessary, careful consideration needs to be given in balancing the superannuation contribution of 0.5% that is to occur on 1 July 2021, decreasing personal taxes and the Community Pharmacy Agreement low indexation growth.