



Our Purpose - To advance the agenda & unlock the potential of Australia's Foodservice sector

Minimum Wage Review Committee

By email: awr@fwc.gov.au.

Dear Fair Work Commission,
RE: 2022-2023 Annual Wage Review

We make our submission in **SUPPORT** of the Australian Retailers Association (ARA)'s submission to recommend an increase in the minimum wage of no more than 3.8% to take effect from 01 July 2023, "based on the current rate of TMI at 6.9% less the 0.5% increase in superannuation and less the projected 3.1% decline in inflation through 2023-24." This equals a 4.3% increase in labour costs for employers, already paying record %'s in total cost of employment and includes the impact of the next increase in superannuation that will take effect at the same time as the next increase in the minimum wage.

We agree this strikes the right balance between the needs of workers and the pressure on businesses, as the cost of doing business continues to rise and to avoid a "wage-price spiral".

We also agree with the ARA that any increase in the minimum wage must be balanced against the impact it will have on unemployment, with due consideration to the current and expected economic conditions.

AFAB takes the position that any increase in wages that exceeds the inflation targets for 2023 will lead to continued interest rate rises, higher prices, and a continued inflationary environment.

Yours sincerely,

Wes Lambert
Deputy Chair
wes@ausfab.org
0488579888