

[ [Previous](#) ] [ [Major News - Federal Politics - Workplace Issues](#) ] [ [Next](#) ]

**Friday 28 April 2006**

---

# Herald Sun

---

## Wages balancing act

Author: Norrie Ross

Publication: Herald Sun (007,Fri 28 Apr 2006)

Edition: 1 - FIRST

Keywords: **Peter (1),Costello (1),industrial (1),Stephen (1),Smith (1)**

---

LOW paid workers might be in for a shock if Treasurer **Peter Costello** cuts their taxes or increases benefits in the coming Budget.

The head of the new Fair Pay Commission hinted yesterday any boost to the low paid might reduce a rise in the minimum wage.

Prof Ian Harper said his job was to balance the minimum wage with the overall safety net of taxes and benefits.

``It's a factor the commission would take into account," he said.

But Prof Harper reassured workers he did not have a secret agenda to cut wages.

He said it was too early to say if tax cuts would be balanced by a lower increase in the minimum wage.

``How the minimum wage translates across into somebody's income is a function of what happens in the tax and social security system," he said.

``If the Government were to alter that in some way, clearly we'd have to take that into account."

Opposition **industrial** relations spokesman **Stephen Smith** said the comments confirmed lowest paid workers might be worse off.

Mr Smith said there was no longer a requirement that the minimum wage and award safety net had to be fair.

Prof Harper told the Committee for Economic Development of Australia the minimum wage could not go below the current \$12.75 an hour.

He said the commission's job was not to eliminate poverty but to set minimum wages across industries.

Headline: Wages balancing act  
Author: Norrie Ross  
Edition: 1 - FIRST  
Section: NEWS

[ [Previous](#) ] [ [Major News - Federal Politics - Workplace Issues](#) ] [ [Next](#) ]

Copyright © News Ltd