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## **Fair Pay boss says all is not equal**

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The chairman of the new Fair Pay Commission has flagged that future minimum wage rates could differ between industries and even between regions, based on the relative sensitivity of **employment** decisions.

Ian Harper said the commission would also consider the loss of jobs overseas from a particular sector to cheaper countries as part of its role to consider "**employment** and competitiveness across the Australian economy".

The commission would also have to take into account any tax cuts for low-paid workers in next month's budget.

Speaking in Melbourne, Professor Harper said he expected to receive expert submissions and research on the impact of minimum wage increases on both **employment** and **unemployment**.

"I'm expecting, for example, the incidence of low-paid **employment** will be higher in some industries than in others," he said.

"It's also possible that there are greater sensitivities to minimum wages in particular industries."

He argued that such differences existed under the previous system for setting minimum wages overseen by the Australian **Industrial** Relations Commission, which flowed through to thousands of pay classifications in the complex award system.

But the FPC would take into account the recommendations of the government's taskforce on simplifying awards and classifications, and was also required to eliminate differences between states over the next three years.

Earlier, he told a Committee for Economic Development of Australia lunch that the essence of the new body's role was to balance the sensitivity of **employment** decisions by both employers and workers, while maintaining a safety net for the low-paid.

Professor Harper said the new body would call for submissions from Monday and conduct public consultations before delivering its first determination in September-November.

The process would not be a "narrow, scientific exercise" which involved "staring at mute statistics".

"This is about people's lives and part of the reason the commission has been set up . . . is to inform ourselves of all the nuances of what it means to be a low-paid Australian," Professor Harper said.

The federal opposition's **industrial** relations spokesman, **Stephen Smith**, seized on Professor Harper's acknowledgment that a cut in real wages was possible, even though the commission cannot undercut the nominal hourly rate of \$12.75 set last year.

"That means that the minimum wage is not required to rise in real terms in the future," Mr Smith said.

Caption :PHOTO: Ian Harper says budget tax cuts will be taken into account. Photo: JAMES DAVIES

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