Dear Commissioners

Re: Submission relating to the 2008 Minimum Wage Review

The Youth Network of Tasmania (YNOT) is the peak body representing youth in Tasmania. The YNOT has recently undergone a changeover in its staff with myself as a new Executive Officer and a new Tasmanian Youth Forum Project Officer.

The results of these staff changes have meant that focus groups and extensive surveying of young people on minimum wages has not been carried out to inform this response. The information provided in this letter is anecdotal and is representative of some young people in Tasmania.

A significant factor in setting the minimum wage is the economic conditions. Although in recent years we have experienced strong economic growth it has not had a positive affect on some sectors and cohorts. In Tasmania young people seeking to live away or out of home have experienced severe increases in accommodation rental prices and the price of a home. For example a first home buyer in the Hobart area has experienced a doubling of purchase price in the last five years. These increases have far outweighed the increases to the minimum wage.

Many university students need funds from part-time employment. While they wish to gain greater increases in their wages they are aware that a significant increase may place their employment in jeopardy. Students have the potential to secure part-time employment for three to four years. The majority of these part-time jobs are at the minimum wage. Young people want to have three to four years of employment security at a minimum wage that can be sustained than a system that will leave them without employment options.

YNOT would like to see the minimum wage targeted at general living costs to see a real value. Youth indicated that they finding it increasingly difficult to travel to part-time employment opportunities as there are basic transport system in the cities of Hobart, Launceston, Burnie and Devonport. In all other areas of the State it is essential to have access to a vehicle and/or driver and fluctuating petrol prices make it difficult to gain real value from some part-time employment options when wages are set at the minimum level.
There is not an equal relationship between young people on minimum wages and their employers. Yet young people can be a lucrative employee market as they can be moulded to the work culture, physically strong, full of energy and be vibrant, willing to work unpredictable hours and outside the Monday to Friday pattern. YNOT encourages you to consider the vulnerable bargaining position that young people are in when negotiating employment wages and conditions.

I thank you for taking the time to meet with the YNOT as part of your community consultations. The YNOT would be committed to further reviews and would undertake to seek more details from young people in Tasmania to inform future submissions.

We will take a keen interest in the outcome of your deliberations and look forward to working with you on future reviews.

Yours sincerely

Theresa Moore
Executive Officer

14 March 2008