Dear Professor Harper

The ACT Government notes that the Australian Fair Pay Commission’s (AFPC) 2009 Minimum Wage Review occurs at a time of significant national and international economic challenges. The most pressing of these economic challenges is the evolving nature of the Global Financial Crisis and its potential impact on employment levels in the ACT and nationally.

This environment presents challenges for the AFPC in its wage setting function, which under section 23 of the Workplace Relations Act 1996, should have regard to the need to provide a safety net for the low paid and the capacity for the low paid to obtain and remain in employment.

The AFPC must therefore balance the needs of those low-income households whose minimum wage reliance is persistent, against the importance of not pricing minimum wage-dependent workers out of the labour market.

The ACT Government would like to highlight that the ACT has a higher than average percentage of minimum wage-dependent workers in its labour force when compared against other jurisdictions, and that minimum rates of pay set by the AFPC are of particular importance to the ACT because federal coverage of the ACT’s industrial relations jurisdiction means they apply to all workers in the ACT.

Yours sincerely

John Hargreaves MLA
Minister for Industrial Relations

ACT LEGISLATIVE ASSEMBLY
London Circuit, Canberra ACT 2601 GPO Box 1020, Canberra ACT 2601
Phone (02) 6205 0020 Fax (02) 6205 0495 Email hargreaves@act.gov.au