Submission to the Australian Fair Pay Commission

March 2009
About the Office of the Employee Ombudsman

The Office of the Employee Ombudsman is an independent statutory body established under the *Fair Work Act 1994*. It provides advice and assistance to South Australian employees regarding their industrial rights under the *Fair Work Act 1994*, State industrial awards and enterprise agreements. It has the capacity to represent employees in industrial proceedings (other than unfair dismissal) and can investigate breaches of the *Fair Work Act 1994*. It scrutinises enterprise agreements and can represent employees in the negotiation of enterprise agreements. As a result of being identified as a peak entity under the *Fair Work Act 1994*, the Employee Ombudsman also actively participates in the creation of state legislative minimum standards.

Low paid employees

The Office takes the opportunity to make a submission on behalf of the low paid. Low paid workers are generally unrepresented and possess very little bargaining power to negotiate higher wages. It is also noted that low paid workers are often award free so lack the incidental union representation offered through the award system.

The Office highlights that Australia’s low paid workers are some of Australia’s most financially vulnerable. The Office submits that there should be an increase in the federal minimum wage. The Office submits that the current safety net offered by the federal minimum wage is inadequate as low paid workers are struggling financially to meet the costs of living.

The Office also submits that for many low paid employees, low paid employment is not a stepping-stone for gaining higher paid employment.

Junior Employees

The Office submits that the junior rate wage system offers an inadequate means for persons under 21 years, especially those of 18 years and above, to meet the their costs of living. The Office submits that the many juniors, especially those of 18 years and above, live independently, have to meet the same costs of living as other Australian workers and perform the same employment duties as other Australian workers.

The Federal Budget May 2009

The Office requests the ability to make further submissions regarding the above points following the release of the Federal Budget in May this year.