2 August 2011

The Hon Justice Giudice  
Fair Work Australia  
Level 4, 11 Exhibition Street,  
Melbourne, 3000  
By email

Your Honour,

The ACTU thanks Fair Work Australia for the opportunity to comment on the Draft Research Program. We support the Draft Research Program published on the Annual Wage Review 2011/2012 Website.

Time Series Data on Youth Wages

In addition, the ACTU requests the Minimum Wages Branch to prepare a quarterly time-series on minimum wages for young people (aged 15-19 years old).

We believe that it would be useful to collate data over a significant period of time for use by academic researchers and other interested parties. We request time series data going back to 1980 for Australia as a whole and for each of the states and territories. It would be appropriate to collate the wage rates for a small number of awards for industries in which young people are typically employed, rather than a broader range of awards.

The limited nature of this proposal means that it would be possible to compile the data in time for the 2011/2012 Annual Wage Review.

Budget Standards

The Budget Standards developed by the Social Policy Research Centre in the mid 1990s provide a useful tool for assessing the adequacy of minimum wages. However the standards need to be updated to reflect changes in the cost of living and community norms.

The ACTU anticipates that the Minimum Wages Branch will not have the necessary resources to fund a project of this nature. We also believe that it would be preferable for the Department of Families, Housing, Community Services and Indigenous Affairs (FaHCSIA) to be involved in commissioning this research.

The ACTU intends to raise this matter with the Commonwealth Government in the near future.
Bargained Rate of Pay

In the lead-up to the 2010/2011 Annual Wage Review, the ACTU proposed examining bargained rates of pay for work which is similar to that covered by modern award rates of pay in areas of identified award reliance.

We request the Minimum Wages Branch to give further consideration to this proposal. The purpose of this research is to identify the gap between award rates of pay and bargained rates of pay for work covered by modern awards.

Understanding the effect of minimum wage changes in the Australian economy

The ACTU notes that the Department of Education, Employment and Workplace Relations has proposed investigating the impact of the minimum wage on individual variables of interest such as employment, hours of work, prices, labour productivity and unit labour costs.

The ACTU believes there are significant practical difficulties with such a research project. We wish to be consulted before this proposal goes any further.

Yours sincerely,

Joel Fetter
Policy & Industrial Director