

increases cannot properly be conceived of as moderate, nor can they be linked to the needs material advanced by the ACTU.

[12.22] There potential disparity in dollar increases between award employees also appears potentially problematic, as illustrated by the final row of the table.

[12.23] The Commission has also previously recognised the inherent capacity for percentage increases to add significantly, and inappropriately to AWOTE.⁶⁶

Figure 10 - Dollar Outcomes Under Percentage Increases

	+2.0%	+2.5%	+3.0%	+3.5%	+4.0%	+5.0%	+6.0%
C14	\$8.27	\$10.34	\$12.40	\$14.47	\$16.54	\$20.67	\$24.80
C10	\$10.14	\$12.68	\$15.22	\$17.75	\$20.29	\$25.36	\$30.43
C7	\$11.36	\$14.19	\$17.03	\$19.87	\$22.71	\$28.39	\$34.07
C1(a)	\$16.74	\$20.93	\$25.11	\$29.30	\$33.48	\$41.85	\$50.22
C1(b)	\$19.24	\$24.05	\$28.86	\$33.67	\$38.48	\$48.11	\$57.73
Difference between increases at C14 and C1(b)	\$10.97	\$13.71	\$16.46	\$19.20	\$21.94	\$27.44	\$32.93

[12.24] It is also not difficult to conceive of any such safety net increases at higher levels substantially diminishing the incentive to bargain and to enter agreements. Increases of over \$20 per week have been consistently rejected by this Commission as inappropriate, yet any move to a percentage approach may see this come to pass for many classifications in many workplaces. It is also particularly difficult to conceive how such signals to employees would be consistent with the importance of encouraging ongoing productivity improvement under the *Workplace Relations Act 1996*.⁶⁷

[12.25] Importantly, the AIRC does not have a claim for any percentage increase before it on this occasion. As already outlined, this should not

⁶⁶ *Safety Net Review - Wages May 2000 Decision* [Print S5000], [115]

⁶⁷ Section 3(a), 88B(2)(b), 118A(2), 143(1B)(c), 170MX(5)(d) and 501(4)(b).