

Wages and Allowances Review 2006

Full Bench (5 members)

Commission President Justice Giudice, Vice President Lawler, Senior Deputy President Marsh, Senior Deputy President Kaufman and Commissioner Grainger.

Procedural history

Applications filed by ACTU/unions	Nov 2005 and Nov 2006
Directions hearing	20 Nov 2006
Statement and directions issued	21 Nov 2006
Deadlines for submission outlines, affidavits and draft orders	24 Nov 2006 (unions) 1 Dec 2006 (all other parties)
Hearing for oral submissions scheduled	4 Dec 2006 (also 5 Dec if necessary)

The 2006 claim

The Australian Council of Trade Unions, on behalf of a number of unions, is seeking to vary a number of awards to reflect the October 2006 decision of the Australian Fair Pay Commission (AFPC). At 21 November 2006 more than 400 applications had been filed and more were expected.

The [AFPC decision](#), in short, provided for:

- an increase of \$27.36 per week in the standard Federal Minimum Wage;
- an increase of \$27.36 per week in all Australian Pay and Classification Scales up to and including \$700 per week; and
- an increase of \$22.04 per week in all Pay Scales above \$700 per week.

The increases apply to employees and employers in the new, national industrial system (which covers all employees of constitutional corporations and some other classes of employees specified in the legislation) and take effect from 1 December 2006.

Who is covered by the AIRC Wages and Allowances Review?

The union applications seek to increase wage-related allowances in pre-reform awards and transitional awards and to increase minimum wages in transitional awards.

Pre-reform awards are federal awards created before the Work Choices legislation came into operation in March 2006 and covering employers that are constitutional corporations.

Transitional awards are federal awards created before the Work Choices legislation came into operation and covering employers that are not constitutional corporations.

(For further information about awards, the Work Choices changes and constitutional corporations see the AIRC fact sheets on the AIRC web site at www.airc.gov.au/wc2k6/fact_sheets/a2z.html.)

Documents online

Documents relating to the Wages and Allowances Review - including directions and the notice of listing - can be accessed from a dedicated page on the AIRC web site.

The address is www.e-airc.gov.au/wages2006.

The Process

Under the Work Choices legislation introduced in March 2006 the primary responsibility for setting federal minimum wage rates was transferred from the Australian Industrial Relations Commission (AIRC) to the Australian Fair Pay Commission (AFPC).

In dealing with the applications, the AIRC is required under the *Workplace Relations Act 1996* to have regard to:

- a) the desirability of high levels of productivity, low inflation, creation of jobs and high levels of employment; and
- b) decisions of the AFPC, and, in particular, the need to ensure that Commission decisions are not inconsistent with AFPC decisions; and
- c) the importance of providing minimum safety net entitlements that do not act as a disincentive to bargaining at the workplace level.

Further information:

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