

SUNDAY 22 April 2007

Sensible decision by Fair Pay Commission on pay scales

Statement by Heather Ridout
Chief Executive Australian Industry Group

“The announcement by the Fair Pay Commission that it will publish pay scales, a move which had been sought by the Australian Industry Group, is a sensible decision which will be welcomed greatly by employers,” Ai Group Chief Executive Heather Ridout said today.

“Ai Group publishes and circulates to its member companies the wage rates and related information in approximately 350 pay scales and will be offering every cooperation to the Commission in its work.

“It will be a complex task and it is therefore essential that the Commission has sufficient resources to deliver,” Mrs Ridout said.

“In our 2006 Minimum Wage Review submission Ai Group was the first party to identify the significance of this issue. At the time, we called on the Commission to publish pay scales and again strongly argued in our submission this year that they be published.

“The fact that the Commission chose not to publish accurate, legally binding pay scales caused unnecessary confusion and concerns employers may face big fines for unwittingly underpaying employees. There were also problems for companies in contract bidding and a whole range of other issues.

“Under the previous arrangements, the Australian Industrial Relations Commission published awards and issued a separate order for each award that was varied, setting out the specific terms of the award variation.

“With the new approach announced by the Fair Pay Commission the obligations of employers and the entitlements of employees will be much clearer,” Mrs Ridout said.

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