

The Howard Government has changed the way minimum wages are set to make them lower, by

- Stopping the independent umpire – the Industrial Relations Commission – from setting minimum wage rates.
- Deciding the minimum wage should be set by the so-called “Fair Pay Commission.” Unlike the Australian Industrial Relations Commission, the Fair Pay Commission does not have to consider what is fair, and taking into account living standards in the community.
- For more than 100 years minimum wages in Australia have been set, reviewed and increased by an independent body, the Australian Industrial Relations Commission. This system ensures that low paid workers and their families are not left behind.

The Howard Government believes that minimum wages in Australia are too high. The Coalition opposed every minimum wage increase since 1996. The minimum wage is currently \$484 a week (\$12.75 per hour). But if the Prime Minister had his way since taking office, the minimum wage would currently be \$50 a week or \$2,600 a year lower than its current \$25,188 per annum.

Before the election of the Howard Government	Since election of Howard Government in 1996	Under WorkChoices, from 2006
<p>The independent Industrial Relations Commission decided award wage rates following annual application by ACTU and submissions from employers.</p> <p>Award wages had to be fair and enforceable and maintained at a relevant level.</p>	<p>Howard Government opposed reasonable increases. If the Prime Minister had had his way since he has been in office, the Minimum Wage would currently be \$50 a week or \$2,600 a year lower than its current \$25,188 pa.</p> <p>Had the Howard Government's submissions to the AIRC been accepted from 1997 through to 2005, there would have been a real <i>reduction</i> in the minimum wage of 1.55 per cent, not the 9.17 per cent real increase in fact granted by the AIRC.</p>	<p>Government to stop independent Industrial Relations Commission from setting minimum wage safety net.</p> <p>New Government appointed panel – the so-called “Fair Pay Commission” – to decide wage rate with aim of keeping minimum wages lower.</p> <p>Fair Pay Commissioners only appointed part time and fixed term (four of five years maximum).</p> <p>Fair Pay Commission is neither open nor transparent.</p>

Changes to the way the minimum wage is set will reduce the living standards for many working Australians who are only just keeping their head above water. Unions don't want this USA-style system. In the USA minimum wages are just US\$5.15 an hour and haven't increased for 8 years, leaving many working families living below the poverty line.

Free confidential assistance can be obtained from the ACTUs Union Helpline, for both union members and non-members: 1300 362 223.