



Australian Fair Pay Commission

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July 2007

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Wage-setting decisions

The Australian Fair Pay Commission (Commission) is created by s. 20 of the *Workplace Relations Act 1996*, as amended by the *Workplace Relations Amendment (Work Choices) Act 2005* (WR Act).

The main wage-setting powers of the Commission are:

- adjusting the standard Federal Minimum Wage (FMW);
- determining or adjusting special FMWs;
- determining or adjusting basic periodic rates of and basic piece rates of pay; and
- determining or adjusting casual loadings.

The Commission has given due consideration to its overarching objective 'to promote the economic prosperity of the people of Australia'. More specifically, in performing its wage-setting function, the Commission has considered the impact of its decision based on the criteria set out in the legislation:

- the capacity of the unemployed and the low paid to obtain and remain in employment;
- employment and competitiveness across the economy;
- providing a safety net for the low paid; and
- providing minimum wages for junior employees, employees to whom training arrangements apply and employees with disabilities that ensure those employees are competitive in the labour market.

The Commission sought information from a range of sources in making its decision. It consulted with key stakeholders, received submissions from a broad range of organisations and individuals and undertook consultations with those people directly affected by minimum wage decisions.

In arriving at its decision, the Commission has taken into account:

- the ten month period since the last pay increase for the standard FMW, special FMWs and Australian Pay and Classification Scale (Pay Scale) reliant employees;
- the sensitivity of low-paid employment to changes in wage levels, as well as the incentives for individuals to seek and remain in paid employment;
- the fact that the economy and labour market have continued to perform strongly, although not uniformly;
- movements in consumer prices; and
- the requirement to provide a safety net for the low paid.

The Commission has conducted a wage review and now exercises its wage-setting function as set out in s. 22(1) of the WR Act.

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The Commission grants a general pay increase that will adjust the standard FMW and Pay Scales as follows:

- an **increase** of \$10.26 per week (\$0.27 per hour) to the standard FMW bringing the weekly rate to \$522.12. The standard FMW increases from \$13.47 to \$13.74 per hour;
- an **increase** of approximately \$10.25 per week (\$0.27 per hour) in all adult¹ Pay Scales that currently provide for a basic periodic rate of pay up to the level of \$700.00² per week; and
- an **increase** of approximately \$5.30 per week (\$0.14 per hour) in all adult³ Pay Scales that currently provide for a basic periodic rate of pay above \$700.00⁴ per week.

All parts of this decision that adjust or establish a rate of pay, however defined in this decision, will have effect from the first full pay period on or after 1 October 2007.

Wage-Setting Decision 3/2007 will take effect on 1 October 2007, ten months after Wage-Setting Decision 1/2006 resulting in an increase in the FMW of \$37.62 since December 2006.

The Commission intends that the Wage-Setting Decision 3/2007 general pay increase flow on to junior employees, employees to whom training arrangements apply, employees with disabilities, and basic piece rates of pay in ways that preserve existing relativities to the extent this is possible.

In the majority of cases, the general wage increase flows automatically to casual employees.

The Commission's decision flows on the general increase to these rates of pay in ways consistent with the intent of Wage-Setting Decision 1/2006.

The Commission's Wage-Setting Decision 3/2007 only adjusts minimum rates of pay in special FMWs, the FMW and Pay Scales. This increase may be offset against any equivalent amount in rates of pay received by employees whose actual wages are determined by above minimum Pay Scale arrangements.

While the Commission increases the standard FMW and Pay Scales, it has determined (as it did in Wage-Setting Decision 1/2006) a differential increase recognising the low paid as being more reliant on minimum wages than higher-paid workers. The Commission also considers that its decision is consistent with providing a safety net for the low paid, acknowledging that workers in low-paid employment are more likely to be Pay Scale reliant and less able to bargain given generally lower skill levels.

¹ Where adult means a basic periodic rate of pay that does not explicitly apply to a class of employees with a disability or employees to whom a training arrangement applies or junior employees.

² The Commission's decision is required to be expressed in hourly rates of pay. Hourly rates of pay up to and including \$18.42 per hour increase by \$0.27 per hour. \$18.42 per hour x 38 hours equals \$699.96 per week.

³ See note 1

⁴ The Commission's decision is required to be expressed in hourly rates of pay. Hourly rates of pay over \$18.42 per hour increase by \$0.14 per hour. \$18.42 per hour x 38 hours equals \$699.96 per week.

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The Commission has determined to conduct an annual minimum wage review and announce its wage-setting decisions in July each year, with an implementation date in October of that year.

By fixing an annual timetable for minimum wage reviews, the Commission provides stakeholders with advance notice of the implementation of future wage decisions.

Promoting economic prosperity

At the broadest level, the Commission understands its role as balancing a desire for minimum wages to promote employment opportunities for unemployed and low-paid Australians with the need for minimum wages to play their part in maintaining a safety net. The Commission therefore interprets economic prosperity broadly rather than narrowly. An economically prosperous Australia is one where those seeking work have ample opportunity to participate in employment and where a safety net mitigates hardship.

While many factors affect the economic prosperity of all Australians – including the level of minimum wages – the Commission is responsible only for setting and adjusting minimum wages for employees within its jurisdiction.

Impact of Wage-Setting Decision 1/2006

The Commission recognises the short period of time between the effective date of its first decision and the commencement of the process to conduct the 2007 review of minimum wages.

While the Commission notes the impacts of its wage decisions may take some time to work their way through the economy, there are useful preliminary indicators available to assess the impact of Wage-Setting Decision 1/2006. These include:

- five months of labour force data;
- quarterly observations on inflation, labour costs, earnings, and vacancies;
- Reserve Bank of Australia (RBA) Statements on Monetary Policy; and
- the 2007-08 Australian Government Budget.

The capacity for the unemployed and low paid to obtain and remain in employment

Submissions to the Commission's 2007 review of minimum wages continue to express the same divergence of views concerning the relationship between employment and minimum wages that was evident in submissions to the 2006 review.

The most significant contribution to the literature on employment effects of minimum wages since the Commission's 2006 decision is *Minimum Wages and Employment: a Review of Evidence from the New Minimum Wage Research*, by David Neumark and William Wascher, published in the United States in November 2006. While this paper, cited by the Australian Chamber of Commerce and Industry and the Australian Government, does not provide any new research, it does involve a detailed review of relevant United States and international research since the early 1990s.

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The labour market cannot guarantee that a person who enters low-paid employment will progress to higher-paid employment over time, nor that a person employed in a casual or part-time capacity will progress to more secure or substantial employment. However, if minimum wage increases were to reduce the overall availability of low-paid work or the willingness of employers to offer jobs to people who have been out of work for some time, this would clearly exacerbate unemployment whatever definition of unemployment were adopted.

The relationship between the level of minimum wage increases and employment in Australia remains pivotal to the Commission. In conjunction with developing its monitoring strategy, the Commission will focus on furthering Australian research into the impact of minimum wage adjustments on labour demand.

Several employer groups suggest that the Commission take full account of underemployment and marginal labour force attachment when considering the capacity of unemployed people to obtain and remain in employment.

The Commission will continue to monitor broader measures of labour underutilisation as they become available.

The 2007-08 Australian Government Budget contains a number of measures that improve disposable incomes of low-paid Australians and incentives for people to take low-paid work. In combination with the December 2006 increase in the minimum wage, these tax cuts have improved the financial incentive to enter low-paid work.

The Commission considers that, overall, the tax changes announced in the 2007-08 Budget are targeted to low-income earners and will, in most cases, have beneficial effects on Effective Marginal Tax Rates (EMTRs). People working full-time at the level of the standard FMW will now face a marginal tax rate of 15 per cent rather than 30 per cent. The Commission will continue to monitor EMTRs.

Employment and competitiveness across the economy

Australia's economic growth picked up towards the end of 2006 and this stronger growth is expected to continue through 2007-08. Employment continues to grow strongly, wages growth (although higher) has been contained, and inflation remains within the RBA's target range.

There is a forecast easing in employment growth and an increase in the unemployment rate largely associated with changing participation requirements for some recipients of income support payments. The labour market has remained strong.

There remain considerable differences in the labour market performance across states and territories. Over the year to May 2007, the unemployment rate fell in all states and territories and the participation rate increased in all but Tasmania and the Northern Territory. All states except Western Australia experienced a decrease in the level of unemployment, and the level of employment increased everywhere.

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Growth in labour costs remained solid in the March quarter 2007 but was not as high as expected. The Wage Price Index (WPI) increased by 1.0 per cent in the March quarter 2007 (in seasonally adjusted terms) to be 4.1 per cent higher over the year. This increase, which incorporates most of the effects on wage rates of the Commission's Wage-Setting Decision 1/2006, was lower than the market expectation of 1.3 per cent over the quarter.

The Consumer Price Index increased by 0.1 per cent in the March quarter 2007 for an increase of 2.4 per cent over the year. This was well below expectations of increases of 0.7 per cent in the quarter and 2.9 per cent over the year.

The RBA measures of underlying inflation, which remove extreme changes in prices, rose by 0.5 per cent in the quarter to be 2.7 per cent higher over the year. This was marginally lower than the expectation of a rise of 0.6 per cent in the quarter. Underlying inflation remains in the top half of the RBA's medium-term target band of between two and three per cent.

The Commission, through the monitoring strategy, will seek to expand upon the range of measures used to monitor the impacts of its decisions on the competitiveness of the Australian economy.

The Budget forecasts that real gross domestic product (GDP) will grow by 3¾ per cent in 2007-08, up from 2½ per cent in 2006-07. This assumes a partial recovery from the drought, as well as a pick-up in non-farm GDP.

The Budget notes, however, that overall wage pressures have not increased markedly in recent years, despite strong employment growth and continuing falls in the unemployment rate.

The inflation forecasts presented in the Budget are broadly consistent with the RBA's forecasts.

The major factors for the Commission's consideration in the Budget forecasts are the slow down in employment growth and the projected increased participation of lower-skilled workers.

Submissions once again highlight the potential for the Commission's decision to have differential impacts across industries due to varying levels of Pay Scale reliance. While several submissions note the need for special consideration for certain industries, the plight of the agricultural industries is of particular concern to the Commission given the severity of the drought. This warrants special attention and is dealt with in Section 2.

As expected, Wage-Setting Decision 1/2006 had a noticeable impact on labour costs in some Pay Scale reliant industries. Growth in labour costs in the first quarter of this year, as measured by the WPI, was higher for Accommodation, cafes and restaurants (1.4 per cent) and Health and community services (1.2 per cent) than the average growth of 1.1 per cent. Growth was 1.1 per cent for Retail trade and 0.8 per cent for Property and business services.

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Providing a safety net for the low paid

As required by legislation, the Commission continues to focus its attention on the low paid. Research commissioned in 2006 identified the characteristics of the low paid, and the Commission continues to use this research to inform its wage-setting decisions.

The research confirms that the low paid are found across the whole household income distribution. While low-paid workers who work full-time are concentrated in middle-income households, part-time workers on similar wages are more likely to live in low-income households.

While submissions generally agree that wages and the tax/transfer system play complementary roles in the overall income safety net for low-paid employees, there are differing views on the relative weight to be placed on each of these elements.

Within the overall increases in disposable income, the relative contribution of wage rises, tax cuts and changes in income transfers has varied between different family types, depending on a variety of factors.

On average, therefore, low-paid employees who benefit from the Commission's 2007 wage-setting decision will retain around three quarters of their gross pay rise.

In the Commission's view, statutory minimum wages are not, first and foremost, an anti-poverty device. This is in part demonstrated by the distribution of low-income earners across all household types, including high-income households.

The Commission does, however, consider that statutory minimum wages, along with the tax/transfer system, have a significant role to play in providing a safety net for the low paid. This role is better understood in the context of s. 23 of the WR Act as providing a statutory minimum to protect low paid workers whilst minimising the negative impact on demand for labour.

In considering interactions with the tax/transfer system, the role of statutory minimum wages is also important in the context of 'the capacity for the unemployed and low paid to obtain and remain in employment'. The relationship between the Government tax/transfer system and statutory minimum wages has the potential to affect labour supply.

The Commission remains satisfied that the combination of minimum wages and available income transfers provide families with at least one full-time wage earner on the standard FMW with incomes well above recognised benchmarks.

On implementation of Wage-Setting Decision 3/2007, the minimum wage will be some 7.8 per cent higher than it was in June 2005, which is broadly in line with growth in wages over the period. When reductions in tax liabilities are also taken into account, the disposable incomes of employees receiving the standard FMW have not deteriorated relative to disposable incomes in the community more generally.

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Impact of the drought on farm businesses in regional Australia

Several submissions received by the Commission address the economic impact of the drought on the agricultural sector. The majority of submissions discuss the drought in terms of its impact on slowing economic growth across the economy generally and in the farm sector particularly.

Submissions from employer groups representing members in the agricultural sector urge the Commission to consider the consequences of drought in regional Australia in assessing the case for a general wage increase.

In seasonally adjusted terms, real agricultural income has fallen over 2006 to historically low levels in the December quarter 2006 and the March quarter 2007, to levels not seen for over 11 years.

Based on survey results, Australian Bureau of Agricultural and Resource Economics (ABARE) has estimated that average cash income and business profit per farm in 2006-07 in the broadacre and dairy industries will fall dramatically. ABARE's main predictions are:

- Average cash income per farm for all broadacre industries will fall to its lowest level in the 29 year history of the ABARE surveys, from \$81 290 in 2005-06 to \$26 600 in 2006-07. Forty-four per cent of broadacre farms will report negative cash income, up from 23 per cent in 2005-06.
- The average loss per farm for all broadacre industries in 2006-07 is expected to be \$59 800. This is the largest average loss in the history of the ABARE surveys, down from an average profit of \$8620 in 2005-06. The percentage of broadacre farms reporting a loss will increase from 58 per cent in 2005-06 to 77 per cent in 2006-07.
- The average loss per farm is estimated to be \$112 300 for wheat and other crop farmers, \$50 100 for sheep farmers and \$40 500 for beef farmers.
- It is estimated that broadacre farmers will make large losses on average in all states except Western Australia, where the average loss is estimated at \$298. In the other states, average losses per farm are estimated to range from \$85 648 in New South Wales to \$44 234 in Tasmania. Northern Territory broadacre farms are expected to make an average profit of \$271 894.
- Dairy farmers are estimated to receive an average cash income per farm of \$17 800 in 2006-07, down from \$86 030 in 2005-06. The estimated average business loss per farm is \$79 500 in 2006-07, down from \$19 260 in 2005-06

In the Commission's consideration, the financial viability of farm enterprises is critical to sustaining jobs in the rural sector into the future. While there is considerable variability in agricultural employment from state to state (for example, estimated changes in employment over 2006-07 range from a 12 per cent increase in Queensland to a 10 per cent decrease in Western Australia), combined with projections of minimal growth over the next five years, the Commission believes there is scope to provide further assistance to maintain jobs during this difficult period.

The Commission recognises that even minor cost increases for farm businesses in Exceptional Circumstances areas currently in receipt of drought assistance may increase financial strain on these businesses resulting in job losses.

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The Commission accepts that there is a need to provide some assistance to those farm businesses most severely affected by the drought and will grant a deferral of the 2007 wage increase in certain circumstances.

The Commission has a clear understanding that not all areas in which agricultural businesses operate are drought affected. Further, within these areas not all agricultural businesses are severely financially affected. The Commission has carefully considered how to target its deferral so that only employers who have demonstrated the prospect of long-term viability and direct financial hardship resulting from the exceptional drought will be eligible for a deferral of the Commission's Wage-Setting Decision 3/2007.

The Commission has determined that farm businesses in receipt of an Exceptional Circumstances Interest Rate Subsidy (ECIRS) are those most severely affected by the drought and are most likely to suffer detriment from increases in labour costs at this time, resulting in job losses. The Commission will, therefore, grant a deferral of the 2007 wage increase to those farm businesses in receipt of ECIRS.

The Commission emphasises that its decision only defers the increase granted in Wage-Setting Decision 3/2007 and that within 12 months all eligible businesses will be required to pay the 2007 increase in addition to any further increases subsequently awarded by the Commission.

The Commission notes that the granting of a deferral does not preclude these individual businesses and employers from paying the 2007 minimum wage increase.

Preserved pay equity and work value wage increases under section 208(4)

The Commission received a number of submissions which raise the issue of wage increases awarded on the basis of work value change or pay equity which operate under s. 208(4) of the WR Act. Many of these submissions address the relationship of these increases to the Commission's Wage-Setting Decision 1/2006.

In performing its wage-setting function, the Commission has limited discretion over wage increases in Pay Scales that are preserved by s. 208(4). While it is within the scope of the legislation for the Commission to exempt specified Pay Scales from Wage-Setting Decision 3/2007, in general the Commission considers that doing so for Pay Scales which contain pay increases under s. 208(4) would diminish the work value change or pay equity increases awarded.

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The childcare sector

Submissions from the childcare sector also raise the operation of s. 208(4) on Pay Scales within this sector. These submissions argue that pay increases awarded on the basis of work value or pay equity under s. 208(4) and pay increases resulting from Wage-Setting Decision 1/2006 have had a negative impact on the childcare industry.

The Commission considers that s. 208(4) is intended to account for circumstances in which wage increases, wholly or in part, reflect changes in work value. In the Commission's view, exempting the childcare sector from Wage-Setting Decision 3/2007 would diminish the work value increases already awarded.

The NSW local government sector

The Commission's Wage-Setting Decision 1/2006 applied the wage increase to the Pay Scale derived from the pre-reform Local Government (State) Award 2004. This Pay Scale also included additional increases operating under s. 208(4) which were made partly on the basis of changes in work value commencing on 1 November 2006. In their 2007 submission, the Local Government Association of NSW and Shires Association of NSW recommend that the Commission "give consideration to the circumstances and industries identified in the relevant APCS, when varying rates of pay".⁵

The Commission has considered the matters raised in this submission. The Commission is aware that the Pay Scale derived from the pre-reform Local Government (State) Award 2004 contains no further increases under s. 208(4). The Commission has determined that Wage-Setting Decision 3/2007 will apply to the Pay Scale derived from the pre-reform Local Government (State) Award 2004.

The NSW social and community services sector

A number of submissions refer to the impact of the Commission's Wage-Setting Decision 1/2006 on the Pay Scale derived from the pre-Work Choices Social and Community Services Employees (State) Award 2006 (SACS Award) in the not-for-profit sector in 2006-07.

The Commission maintains that, while the legislation allows it to exempt specified Pay Scales from Wage-Setting Decision 3/2007, to do so for all Pay Scales which contain pay increases under s. 208(4) would diminish the work value increases already awarded.

However, the Commission heard arguments put forward by the sector that the pre-Work Choices wage instrument did not envisage parties being able to pursue safety net adjustments in addition to those already agreed in the schedule of wage increases awarded under the pre-Work Choices wage instrument.

It is not possible to identify the proportion of increase attributable to the separate elements of work value and safety net. The Commission considered that exempting the not-for-profit social and community services sector from Wage-Setting Decision 1/2006 would diminish, if not completely negate, the work value element.

⁵ LGSA, 2007 Minimum Wage Review, Submission to the Australian Fair Pay Commission, March 2007, p. 11, para. 5.10(a)

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On the other hand, the Commission considers there is scope to exempt the social and community services sector from Wage-Setting Decision 3/2007 without diminishing the effect of work value increases, and recognising the intention of the parties to the prior agreement.

It is the Commission's intention that the higher wage increase of either Wage-Setting Decision 3/2007 or that preserved by s. 208(4) in the Pay Scale will apply. Therefore, the Commission will exempt the SACS Award from Wage-Setting Decision 3/2007.

Reviews of junior wage arrangements and wage arrangements for employees to whom training arrangements apply

In Wage-Setting Decision 1/2006, the Commission foreshadowed its intention to initiate a wage review of junior wage arrangements and wage arrangements for employees to whom training arrangements apply.

A number of submissions to the 2006 wage review urged the Commission to consider adjusting wages for junior employees and employees to whom training arrangements apply in the context of pay scale rationalisation.

In the context of commencing Australian Pay and Classification Scale rationalisation in 2007 the Commission has decided to specifically address wage reviews for junior employees and employees to whom training arrangements apply as part of this rationalisation process.

The Commission will specifically review wage arrangements for junior wages and employees to whom training arrangements apply in the context of commencing a process to rationalise Pay Scales.

Employees with a disability

In Wage-Setting Decision 1/2006, the Commission filled gaps in the coverage of minimum rates of pay and access to pro rata arrangements for employees with a disability.

The Commission undertook to monitor the impact of its wage-setting decisions.

Data collected by the Department of Workplace Relations and the Department of Families, Community Services and Indigenous Affairs will assist the Commission monitor employees with a disability engaged in open employment and business services.

The Commission sought the views of the Disability Round Table on a process to consider new wage assessment tools. The Commission and stakeholders have agreed on a process to be adopted and on a timetable.

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Casual loadings

The Commission received a number of submissions outlining the prevalence of casual employment amongst low paid workers and their proportion within the workplace. Few addressed the loading rate or possible adjustments to the casual loading rate.

The general pay increase flows to casual employees through adjustments to the basic periodic rates of pay (or as otherwise specified where Pay Scales provide for differing methods of casual compensation). The Commission has decided that further consideration of any casual loading adjustments should be undertaken in the context of the Pay Scale rationalisation process.

Piece rates

The Commission is given power under the WR Act to adjust basic piece rates of pay. In Wage-Setting Decision 1/2006, the Commission recognised the difficulty that flowing on increases for piece rates raised for particular industries. The Commission invited affected industries to engage with it should difficulties arise.

The Commission is currently reviewing the issue of piece rates in the real estate sector.

The Commission will flow on the general wage-setting decision to basic piece rate Pay Scales in the following manner.

The general pay increase will be flowed on to basic piece rate Pay Scales through applying a two per cent increase to basic piece rates in preserved Pay Scales which are not otherwise increased as a result of the general decision.

However, due to the diversity within basic piece rate Pay Scales, an affected person or business may make a submission to the Commission on the grounds that such an adjustment would result in an anomalous outcome inconsistent with the Commission's intention to flow-on the general increase to piece rate workers.

Discrimination

The Commission received submissions dealing with discrimination matters, some of which include a focus on pay equity issues. In particular, the submissions focus on groups including:

- female employees;
- young workers;
- people from culturally and linguistically diverse backgrounds;
- Indigenous Australians;
- employees with disabilities; and
- working families.

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Some submissions cover many of the economic and legal issues affecting vulnerable workers. In particular they focus on the operation and effect of the anti-discrimination considerations included in s. 222 of the WR Act.

Some submissions address the circumstances of vulnerable workers and raise issues not covered by the ambit of this provision or the powers of the Commission. For example, some submissions commented on differences in actual earnings.

In its powers, the Commission can only affect minimum wages underpinning actual earnings; that is, the Commission must apply the principle of equal remuneration to minimum wages only. The Commission cannot consider equal remuneration matters which are beyond the level of minimum wages.

Future Directions

Creation and publication of Pay Scales

The Commission is commencing the process of creating and publishing new Pay Scales.

Consultations have commenced with key stakeholders to develop an agreed process to create and publish Pay Scales.

The creation of Pay Scales raises a number of complex issues that will take some time to resolve. The Commission is committed to resolving issues as they arise in a transparent and consultative fashion.

The creation of new Pay Scales will establish binding interpretations of the current notional Pay Scales assisting employers with compliance and employees to have a clear understanding of their minimum wage entitlements.

Pay Scale rationalisation

Stakeholders raised issues in relation to the complexity surrounding the proposed rationalisation of Pay Scales in feedback on the Commission's Wage-Setting Decision 1/2006 and in submissions to its 2007 review.

Some stakeholders also raised issues in relation to specific Pay Scales. Others suggested that specific issues are best considered as part of the broader process of Pay Scale rationalisation.

As foreshadowed in Wage-Setting Decision 1/2006, the Commission will commence the rationalisation of Pay Scales later this year. The process will commence with the release of an Issues Paper around September this year. The Paper will inform interested parties about the issues for consideration, and will assist stakeholders to consider how the rationalisation process may affect them. Submissions in response to the Paper will be requested and considered by the Commission.

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Monitoring Commission decisions and future research

Section 24 of the WR Act provides that, in performing its wage-setting function, the Commission may inform itself in any way it thinks appropriate including by “monitoring and evaluating the impact of its wage-setting decisions”.

The Commission recognises the short period of time between the effective date of Wage-Setting Decision 1/2006 and the commencement of the process to conduct the 2007 review of minimum wages.

The Commission is aware of the need to provide a robust and transparent process by which to monitor the effects of its decisions. To this end, two research projects have been commissioned to assist in developing a monitoring strategy.

The Australian Fair Pay Commission Secretariat will continue the Stakeholder Research Consultative Committee, through which stakeholders can provide advice on the future research agenda. The Commission has also invited all state and territory governments to be represented on the Stakeholder Research Consultative Committee to ensure that their research priorities can be considered.

The Australian Fair Pay Commission Secretariat will undertake further consultation with stakeholders and seek advice on priority areas of research to assist in informing the Commission's decisions on research priorities.

The Commission will continue to convene meetings of the Disability Round Table. This group, which represents key stakeholders in the disability sector, has provided invaluable input into the Commission's consideration of issues affecting workers with a disability.

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Future wage-setting decisions

The Commission is committed to maintaining an open, robust and transparent process and will continue to consult widely with all sectors. In order for stakeholders and the Australian people to have certainty regarding the timing of the Commission's process for future wage reviews, the Commission has committed to an annual general wage review process.

Wage-setting decisions will be announced in July each year, with an implementation date in October of that year. The Commission will publish each year the process for consultations, submissions and research which will inform its wage-setting decisions.

The Commission has received submissions in relation to the review of minimum wages in the real estate sector.

The Commission is considering submissions received and will announce its real estate sector decision in the near future.