

**SENATE STANDING COMMITTEE ON
EDUCATION, EMPLOYMENT AND WORKPLACE RELATIONS**

**QUESTIONS ON NOTICE
ADDITIONAL ESTIMATES 2008-09**

Outcome/Agency **9**

DEEWR Question No. EW1213_09

Senator Fisher asked on 26 February 2009, EEWHR Hansard page 106.

Question

Take home-pay provisions in the Transitional and Consequential Bill

What is the policy reason for the Deputy Prime Minister specifically referring to employees' take-home pay as a key area with which the transitional bill will deal? Why the need?

Answer

The award modernisation process is intended to provide a modern safety net. It was not intended to result in a reduction in take home pay for employees dependent on the award system.

The Australian Government's submission of 10 October 2008 to the Australian Industrial Relations Commission emphasised the importance of including transitional arrangements in modern awards in relation to significant remuneration-related entitlements.

The Transitional and Consequential Bill enables Fair Work Australia (on a case by case basis) to make appropriate orders to provide that an employee's existing take-home pay continue while they remain in their current job.

The Bill also provides that Fair Work Australia must not make a take-home pay order where it considers the reduction in take-home pay is minor or insignificant, or Fair Work Australia is satisfied the employee has been adequately compensated in other ways for the reduction.