

**SENATE EMPLOYMENT, WORKPLACE RELATIONS AND EDUCATION
LEGISLATION COMMITTEE**

**2006-2007 SUPPLEMENTARY BUDGET SENATE ESTIMATES HEARING
2ND NOVEMBER 2006**

EMPLOYMENT AND WORKPLACE RELATIONS PORTFOLIO

QUESTIONS ON NOTICE

Outcome 2: Higher productivity, higher pay workplaces

Output Group 2.1: Workplace relations policy and analysis

Output 2.1.2: Workplace relations legislation development

Question Number: W773-07

Question:

Senator Wong asked in writing:

Fair Pay Commission - Scope of Application of Decision

- a) What impact does the recent increase in the Australian Pay and Classification Scales (Pay Scales) have in relation to AWAs?
- b) The Australian Fair Pay and Conditions Standard (Standard) will always prevail, therefore will wages prescribed in AWAs have to increase or move with increases in the APCSSs?

Answer:

- a) This will depend on whether the AWA is a pre-reform AWA or a post- reform AWA. The decision will not affect wage rates in a pre reform AWA. The Standard prevails over all new workplace agreements, including an AWA to the extent that the Standard provides a more favourable outcome in a particular respect. Therefore, any increase in an applicable Pay Scales or the FMW may result in increased wages for an employee covered by a new workplace agreement.
- b) See answer to (a).

Estimated cost: Based on the FOI calculator it has taken approximately 3 hours at an estimated cost of \$60 to prepare this answer.