SENATE EMPLOYMENT, WORKPLACE RELATIONS AND EDUCATION LEGISLATION COMMITTEE

2005-2006 ADDITIONAL SENATE ESTIMATES HEARING 16 FEBRUARY 2006 EMPLOYMENT AND WORKPLACE RELATIONS PORTFOLIO

QUESTIONS ON NOTICE

Outcome 2: Higher productivity, higher pay workplace

Output Group 2.1: Workplace relations policy advice and analysis

Output 2.1.1: Workplace Relations Policy Advice

Question Number: W722-06

Question:

Senator Wong asked in writing:

Under the WorkChoices Act, people eligible for a disability pension are excluded from coverage of the FMW that will be set by the Australian Fair Pay Commission (AFPC). The AFPC may set a special FMW for people eligible for a disability pension, but has no statutory requirement to do so. If the AFPC does not set an FMW for people eligible for a disability pension, what checks and balances will be put in place to ensure people eligible for a disability pension are not exploited in meeting their mutual obligation requirements?

Answer:

All existing pro-rata wage arrangements for employees with disabilities who are unable to earn the full minimum wage for their job will be protected under Work Choices at the level set after the inclusion of the increase from the Australian Industrial Relations Commission's 2005 Safety Net Review.

It is a matter for the AFPC as to whether it should establish additional minimum wages for employees with a disability by creating special FMW's or new Australian Pay and Classification Scales.

Qualification for the Disability Support Pension does not have mutual obligations requirements.