



# Forward Plan

2008-09

Transparent | Fair | Honest | Open | Independent | Transparent | Fair | Honest | Open | Independent | Transparent | Fair | Honest | Open | Independent | Transparent | Fair | Honest | Open | Independent | Transparent | Fair | Honest

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## Context and Environment

The Australian Fair Pay Commission is an independent body established by the *Workplace Relations Act 1996*. It is responsible for setting federal minimum and classification wages to promote the economic prosperity of the people of Australia.

Specifically, the Commission:

- adjusts the standard Federal Minimum Wage;
- determines and adjusts special Federal Minimum Wages for junior employees, employees with disabilities or employees to whom training arrangements apply;
- determines and adjusts basic periodic rates of pay and basic piece rates of pay payable to employees or employees of particular classifications; and
- determines and adjusts casual loadings.

The Commission is supported by the Australian Fair Pay Commission Secretariat which is constituted as a statutory agency.

## Legislative parameters

In performing its wage-setting function, the Commission's objective is to promote the economic prosperity of the people of Australia and have regard to:

- the capacity for the unemployed and 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, those to whom training arrangements apply, and employees with a disability to ensure those employees are competitive in the labour market.

## Functions

The legislation outlines the following wage-setting functions for the Commission:

- conduct minimum wage reviews and implement outcomes of reviews; and
- promote public understanding of wage-setting functions.

The legislation provides the Commission with flexibility to determine the timing, frequency and scope of wage reviews, as well as the manner in which they are conducted and when decisions come into effect. The Commission has broad scope to inform itself in any way it sees fit and may commission research and undertake consultations.

## Guiding principles

In undertaking its role and functions the Commission will be:

- **Open**, providing access for individuals, groups and organisations to put forward their views to the Commission.
- **Independent** of other organisations.
- **Honest** about processes and decisions.
- **Transparent**, publishing the reasons for decisions, research and other material to help promote public understanding.
- **Fair** in treating all views expressed with respect.

## Key result area 1

### Wage reviews

The Commission will:

- undertake annual Minimum Wage Reviews with decisions announced in July 2008 and July 2009;
- direct a research strategy to support minimum wage reviews; and
- monitor the impact of its decisions.

## Key result area 2

### Public understanding

The Commission will:

- establish a forward plan to promote public understanding of its minimum wage-setting and other functions;
- develop and publish information that outlines the Commission's approach to consultation, submissions and research; and
- undertake initiatives that promote transparency of the Commission's processes.

## Aims:

The Commission has the following aims:

- To be respected nationally and internationally and recognised as an expert, independent economic agency.
- To have decision processes based on the best available evidence and information, gathered through research, consultation and submissions from interested individuals and organisations.
- To establish effective working relationships with stakeholders.
- To develop a collaborative and non-adversarial approach to minimum wage-setting.
- To provide submission and consultation processes that encourage the participation of stakeholders and individuals.

## Outcomes:

The Commission has set the following outcomes as indicators of its achievements:

- The Commission is seen to be approachable and accessible in the way it goes about its business and has established effective working relationships with key stakeholders.
- The Commission's processes capture the views of those most affected by its decisions, regardless of their education, background and resources.
- The Commission is respected and recognised both in Australia and internationally for the quality of its work.
- The Commission is recognised as a leading authority on minimum wages and labour markets in Australia.
- The Commission is recognised as a centre of excellence for the quality of its research (both commissioned and in-house).