



LETTER TO THE EDITOR

SUPPORT FOR MODEST PAY RISE

As published in the *The Australian* on Wednesday, 2 August 2006.

By Peter Hendy, Chief Executive, Australian Chamber of Commerce and Industry

Your editorial "Pay packet racket" (1/8) is wrong to suggest "an unusual love-in" between the Australian Chamber of Commerce and Industry and either the ACTU or the Howard Government on minimum wages.

The ACCI position to the 2006 wage review was developed by Australia's 36 employer associations without influence from either the Government or the union movement.

ACCI and employers are supporting a moderate increase to the minimum wage. This has nothing to do with rebutting the ACTU's workplace reform scare campaign, nor is it an "extraordinary coincidence". In four of the past five years employers have supported a moderate increase.

Our submission to the review is quite different from that of the ACTU and the Government. The ACTU seeks a \$30 increase, which is excessive. The Government says that an increase should apply beyond people receiving the minimum wage. Our position is that a rise should be limited to the small group of employees on the minimum wage only.

If the position employer bodies are putting through ACCI to the wage review is accepted it would represent the most significant break yet from past approaches, and limit the chances that one person's wage rise comes at the expense of another person's job.

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