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THE HON PETER REITH MP
MINISTER FOR EMPLOYMENT, WORKPLACE RELATIONS AND SMALL BUSINESS
LEADER OF THE HOUSE OF REPRESENTATIVES

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Confirmed: Labor's plan to abolish youth wages

The federal Labor Party has today voted against age based youth wages in Australian Workplace Agreements (AWA's) under the Workplace Relations Act 1996. They have been supported by the Democrats.

This vote by the federal Labor Party will create legal uncertainty about the status of youth wages in some AWA's - certainty that the government regulation would have given to the jobs of all young people who are employed under AWA's. Labor and the Democrats have again played politics with the jobs of young people.

Today's vote by Labor will reignite the youth wages debate between now and the next federal election.

It is now clear that a Beazley Labor government plans to abolish age based youth wages in Australian workplace relations laws.

And, with such a policy would go hundreds of thousands of jobs of young Australians who - as the Australian Industrial Relations Commission (AIRC) found last year - rely on these youth wages for their jobs.

Given that the AIRC last year reported to the parliament that there is no feasible alternative to age based youth wages, abolishing them means that young people would be priced out of the labour market by having to be paid full adult wages.

Labor's vote in the Senate today is public confirmation that Labor has gone back to the Keating governments policy of 1993 - which legislated to abolish youth wages from 22nd June 1997 - legislation that would have applied from that date had the Coalition not been elected in March 1996.

Today's vote comes on back of Labor's new platform adopted in Hobart earlier this month which promised 'comprehensive' age discrimination laws - the same device used by the Keating government to legislate the abolition of youth wages in 1993.

And Deputy Labor leader Simon Crean let the new Labor plan out of the bag on 9th July this year when he told Meet the Press that wages for young people should 'not be related specifically to their age.'

Over 400,000 young Australians are employed on age based youth wages.

Last September, when Labor was compelled by public opinion to support government legislation to retain youth wages Labor attempted to bury the issue until after the next election.

Today's vote, to disallow a government regulation consequential on last year's legislation, means that Labor has put the spotlight right back on its plan to abolish youth wages.

Claims by the Opposition in the parliament today that the government regulation would have prevented the 'no disadvantage test' being applied to AWA's with youth wages in them is wrong. Under the law, the 'no disadvantage test' applies to all AWA's. The regulation has been voted down because Labor and the Democrats are parties both hostile to the system of age based youth wages.

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