



AUSTRALIAN HOTELS ASSOCIATION

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MEDIA RELEASE

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COMMON SENSE WAGE INCREASE

Common sense has prevailed with today's minimum wage increase of \$10.26 per week, according to the hotel industry.

Speaking on behalf of the sector, AHA Director National Affairs Bill Healey said the decision handed down by the Australian Fair Pay Commission (AFPC) "will maintain the real value of the minimum wage, which is already one of the highest in the world".

"The increase coupled with recent tax benefits will mean that Australian workers will have more money in their pockets," Mr Healey said.

The AHA points out that today's decision should have minimal impact on interest rates.

"Everyone in the community should realise that in today's tight labour market, there is an increased risk of a blowout in wages, which would directly affect interest rates," Mr Healey said. "All workers with a mortgage would prefer to forgo a few more dollars in their pay packet to avoid a jump in interest rates."

The AHA has also taken the opportunity to reiterate the need for stability in Australia's Industrial Relations System.

"Today's decision by the AFPC shows that the structural changes introduced over the past two years provide an effective regulatory arrangement to protect Australian workers," said Mr Healey.

"These changes must be given time to consolidate. The hotel industry remains concerned that the Federal Opposition's proposal to create a totally new industrial relations framework and abolish what has evolved over more than 100 years will create significant uncertainty in the economy.

Today's increase will still provide challenges for hotels.

"Our members are grappling with the introduction of smoking bans, the drought and increased international competition for tourists," Mr Healey said.

"Any increase in labour costs in our highly competitive industry impacts on the bottom line, especially when one takes into account shift loadings and on-costs. Continued flexibility in our labour market is required to enable businesses to adjust to their particular circumstances."

For further information:

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The Australian Hotels Association (AHA) is the pre-eminent tourism and hospitality industry organisation in Australia. It has around 5000 members operating general and accommodation hotels. It has a National Office and Branches in each State and Territory. It also has a discrete Branch to represent the interests of its Accommodation members that covers four and five-star properties operated by the major chains.