To repeal the Salaries and Wages Pause Act 1982, with transitional provisions.

Background

The Salaries and Wages Pause Act 1982 came into operation on 23 December 1982 (see Bills Digest for Salaries and Wages Pause Act 1982). It followed a special Premier's Conference on 7 December 1982 at which some States agreed with the Commonwealth to implement a twelve month salaries and wages pause and other States agreed to a six month pause. The Commonwealth Act was expressed to be effective for a twelve month period.

The Act implemented one part of the Commonwealth's undertaking, the limitation of salary and wage rises where the Commonwealth had constitutional power to do so. The other aspect, arguing for a complementary pause in the private sector, is not reflected in the Act but was enunciated by the Commonwealth before the Conciliation and Arbitration Commission and led to a determination for a six month pause until June 1983.

The Bill follows the present Government's policy for centralised wage fixing based on full, six-monthly, cost of living adjustments.

It is intended that the Bill commence immediately prior to decision in the National Wage Case so that public and private sector employees are in a similar position with respect to application of that decision when announced.

The Salaries and Wages Pause Act also effectively prevented increases in certain remuneration for parliamentarians, first division public servants, public office holders, academics, medical practitioners and
chemists. Provisions for schedule medical fees and pharmaceutical benefits are dealt with in the Bill.

Main Provisions

Repeal of the Salaries and Wages Pause Act 1982 is accomplished by clause 3 and by clause 2 would date from the Royal Assent to the Bill.

Subsection 4(6) of the Health Insurance Act 1973 provides that regulations notified under the Act, including tables of medical benefits payable for various services, shall cease on the day following the fifteenth sitting day of the House of Representatives following the expiration of a twelve-month period from notification. Clause 4 amends the automatic lapse and provides for a further nine months validity following commencement of the Bill giving additional time for modifications to scheduled benefits after the pause to be considered.

Subsection 98BA(4) of the National Health Act 1953, added in 1981, provides for inquiries into the Commonwealth price of pharmaceutical benefits to be held by the Pharmaceutical Benefits Remuneration Tribunal at intervals determined by its Chairman. Clause 4 of the Bill requires that such an inquiry be held, with findings to be reported within 6 months of the Bill's commencement.

For further information, if required, contact:

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Economics and Commerce Group
LEGISLATIVE RESEARCH SERVICE