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ACTU blueprint to give Australia a pay rise

The peak body for working people has today released a six-point plan to ensure pay rises for all working people. This plan would ensure an immediate pay increase for the 2.3 million workers whose pay is set by awards and empowering 3.7 million working people who have collective agreements with the tools they need to negotiate fair pay rises now and into the future.

The plan includes increasing the minimum wage to a living wage, making our bargaining system fair, ensuring awards minimums improve over time, restoring penalty rates, guaranteeing equal pay for women and ending wage theft.

Wage and superannuation theft is also dragging down wages as employers have to compete with those employers who routinely break the law.

1. End wage theft

Wage theft is a drag on wages. Too many employers are having to compete with businesses who are not even abiding by legal minimums. Our workplace laws need to change so working people can quickly and easily recover wages and superannuation that is stolen and there are strong disincentives for employers to break the law and powers for workplace representatives to ensure vulnerable workers aren't being ripped off.

2. A Living Wage:

Australians need a living wage. No full-time worker should live in poverty and right now too many are. A living wage would immediately benefit all workers currently on the minimum wage, and will flow through the awards system, benefiting around 2.3 million workers who are award reliant.

3. Awards should improve over time

There are currently 2.3 million workers covered under the 122 awards, the number of people depending on awards is increasing. Yet awards have not moved with community standards or with market rates. This has created a widening gap between wages in collective agreements and award wages. This gap has meant employers utilising awards can unreasonably undercut employers with collective agreements. Ensuring the gap is reasonable and does not widen is essential to maintaining fair wage growth.

4. Free and fair bargaining

Our bargaining rules are out of balance. They give too much power to employers making it far too hard for working people to negotiate their share of profits and productivity gains. Our laws should ensure there is balance in the system so working people can negotiate fair pay rises by ensuring workers can withdraw their labour as a last resort and can access to an independent umpire who can resolving issues. Enterprise-only bargaining is failing to deliver for the new economy, working

people need more options, such as sector wide bargaining to make bargaining fair and efficient.

5. Restoring penalty rates:

Penalty rates must be restored to pre-July 2017 levels, and the law should be changed to stop business imposing any further cuts to workers pay.

6. Securing equal pay for women

Our workplace laws have been unable to move the gender pay gap. We need to establish a Pay Equity Panel that is dedicated to achieving equal pay for women. Women earn 15.3 percent less than men over their working lives and this has barely changed over the last 20 years. The gap persists through all stages of work and into retirement, when women can expect 47% less retirement savings. Many will retire in poverty.

Quotes from ACTU Secretary Sally McManus:

“Australia needs a pay rise and we have a plan that will deliver.”

“Our plan will deliver an immediate wage increase for 2.3 million working people and restore the fair go for the lowest paid.

“The plan will also ensure that working people are not waiting for the non-existent ‘trickle-down effect’ to occur. Profits are up and productivity is up, but wages are not. The only way to ensure working people get their fair share in pay rises is to ensure they have the power they need to negotiate them.

This will benefit every working person now and into the future. It is a permanent fix to unfair, low wage growth and will restore the balance to working people once again get a fair go at work.”

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