

Wednesday, 12 August 2020

Wage growth slumps to historic low

The wage price index has slumped to 1.8 per cent over the year, down from 2.1 per cent in the March quarter, and only 0.2 per cent over the last quarter – the lowest quarterly and yearly rates since the index was started in 1997.

In the private sector, wage growth was negative for the first time in the history of the index, at -0.1 per cent.

Wage growth is how the economy will be restarted. We cannot allow more than 7 years of near record-low wage growth to continue through this period.

The ACTU has put forward a comprehensive jobs plan which would stimulate wage growth by generating secure jobs through strong Government investment, and we stand ready to work with the Morrison Government to implement that plan.

Quotes attributable to ACTU Secretary Sally McManus

“Working people have been living through a wage growth crisis for more than seven years, but this crisis has driven wages to new lows.

“Working people have to lead this recovery. Wage growth and domestic consumption are how the economy will be re-started. This is also why JobKeeper and JobSeeker should not be cut.

“We are almost 6 months into this pandemic and we have no jobs plan. This data shows one is desperately needed.

“We need to put money in the hands of working people and give them the security they need to spend it. If we don’t support working people, they can’t support the economy.”

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