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## Real wage cuts set new record

Inflation has reached a new high at 7.3 per cent for the year to September, and 8.4 per cent on non-discretionary items like fruit, dairy and power bills, likely setting a new record for real wage cuts since current statistics were established, according to new data released this morning by the ABS.

Working people have struggled through a decade of flatlining wage growth and have been living with real wage cuts for more than a year that keep getting deeper. The Albanese Government's election commitment to get wages moving is critical for the entire economy and must be acted on as soon as possible.

Employer groups that are dismissing the Government's mandate to fix the bargaining system and get wages moving are arguing for more of the same, which this data and the budget has made clear would be disastrous for millions of working people and the economy as a whole.

The Wage Price Index was just 2.6 per cent for the year to June when inflation was 6.1 per cent. While the September wage figures have not yet been released, other estimates suggest they have only improved slightly, and are again being rapidly outpaced by inflation. Workers are likely to have faced at least a 4 per cent pay cut in real terms for the year – the deepest on record.

### Quotes attributable to ACTU Secretary Sally McManus:

“These real wage cuts are making life extremely hard for millions of working people who are trying to get back on their feet after the pandemic. We need to act now to get wage growth moving.

“Working people have been waiting a decade for a pay rise and have spent more than a year watching their wages go backwards. This is a systemic problem which we urgently need to address.

“Some employer groups will never support pay rises for working people, but these numbers show just how much workers are suffering. The Albanese Government was clear during the election and has been clear since that unlike the last Government they will not suppress wages and will act to create wage growth. It is essential that this happens now.”

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