

Monday, 3 June 2024

ACTU welcomes real wage rises for 2.6 million workers

The ACTU welcomes the Fair Work Commission's decision today to increase minimum and award wages by 3.75%, which will deliver a small real wage increase for 2.6 million workers.

The above-inflation pay rise means a full-time worker on the minimum wage will be \$33.11 better off each week.

However, the ACTU is disappointed that the Commission is not acting immediately to provide interim pay rises to workers in key feminised occupations. An immediate interim increase would have been a vital first step in valuing the critical work of early childhood educators and other care workers.

The ACTU welcomes the Commission's acknowledgement that workers in feminised industries and occupations have been undervalued.

The new national minimum wage is \$47,627.06 per annum, and the new minimum hourly rate is \$24.10.

Quotes attributable to ACTU Secretary Sally McManus:

"Any day working people get a pay rise is a good day. This decision allows people to keep up with inflation and have a small real wage increase. If employers got their way, Australian workers would've seen a significant real wage cut while facing cost-of-living pressures.

"July will be a very positive month for Australian workers. Every working person will have significantly more in their bank accounts because of the Federal Government's cost-of-living bonus through tax cuts, and for over 20% of the workforce, this 3.75% increase. This means that an entry-level retail or hospo worker will be \$2,600 per year better off. A mid-level community sector worker will be \$3,260 a year better off, and a forklift driver will be \$3,170 better off.

"The Fair Work Commission has accepted our argument that the wages of workers in feminised industries need to be higher, though they haven't agreed with us that it should start immediately. Unions will continue to fight for these increases through the process the Commission has established.

"We welcome the Commission again rejecting the employer groups' argument that modest real wage rises would somehow be unaffordable or would fuel inflation. In the last couple of years, workers on minimum and award wages saw historic pay rises, while inflation dropped from 7.8% to now 3.6%. Australians are smart enough to see through the employer groups' spin, especially when corporate profits have grown nearly three times faster than wages since the pandemic.

"When workers have more money to spend, it stimulates local businesses and drives economic growth. Today's decision is a win for workers, their families, and the broader Australian economy."

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