

Workers take home pay up from 1 July

Embargoed: to Friday 28 June 2024

Australian workers will experience a significant boost to their personal finances from 1 July with the combined impacts of wage rises and the Federal Government's tax cuts.

The 3.75 per cent annual wage increases will apply from the first full pay period on or after 1 July. An entry-level retail or hospitality 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 Government's cost-of-living tax cuts will also flow through from 1 July providing every Australian taxpayer with a tax cut. A person on average annual earnings of \$72,753 will get a \$1,498 annual tax cut, or an extra \$28 in weekly take home pay packets.

The combined impact of wage rises, and tax cuts mean a cleaner will take home an extra \$44 per week, a forklift driver an extra \$46 per week and a community service worker an extra \$48 per week.

The Federal Government's \$300 energy relief rebate will start to flow to households from 1 July in four \$75 quarterly credits. Employer super contributions increase from 11 per cent to 11.5 per cent from 1 July, under Superannuation Guarantee increases that unions campaigned for. The Super Members Council found that the superannuation guarantee increase would deliver a 30-year-old a projected \$17,570 more at retirement. Paid parental leave also increases to 22 weeks, up from 20 weeks from 1 July.

Australia is experiencing its strongest annual wage growth since 2009 – with wages growing by at least 4 per cent in the last three quarters, the first time this has happened in 15 years.

Working families are finally recovering some of their lost purchasing power, with wages starting to catch up to spiralling price rises because of price gouging by big business.

Quotes attributable to ACTU Secretary, Sally McManus:

“July is a great month for working people after years of being hit with cost-of-living pressures made worse by big business price gouging. Finally working people will be getting ahead again.

“The Albanese Government has done the hard work delivering on their promise to get wages moving. They have done this by closing the loopholes big business was using to keep wages down, supporting minimum wage increases and pay rises for aged care workers and leading the way with their own workforce. It has not been easy fixing the damage and neglect which saw wage theft, casualisation and wage cutting schemes undermine working families living standards.

“On top of wage increases, all taxpayers will receive the cost-of-living tax cut which means a double pay day for many workers. For a forklift driver or community workers, they will be around \$46.00 better off a week which will make a big difference. Not only will they be able to cover the bills, but they can start getting ahead again.”

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