

Thursday, 3 June 2010

Working Australians get a \$26 a week dividend for end of WorkChoices; pay rise welcomed by unions

Today's pay decision from Fair Work Australia for 1.4 million award-dependent workers breaks the drought after a wage freeze of almost two years under the Howard Government's wage-setting tribunal.

The \$26 a week minimum wage rise will help working families meet increases in the cost of living after having been left behind under WorkChoices.

The ACTU welcomes the first decision from the new Fair Work Australia Minimum Wage Panel, which gives low-paid workers a dividend from the Federal Government's successful handling of the Global Financial Crisis and its new Fair Work laws.

ACTU Secretary Jeff Lawrence said the new wage-setting body within Fair Work Australia had comprehensively accepted the ACTU's case for a decent increase and rejected that of employers who were arguing for a wage rise of less than half the amount won.

"Today's decision is a very good outcome for working Australians that goes a long way towards restoring the real value of wages for the most low-paid and vulnerable members of the workforce," said ACTU Secretary Jeff Lawrence.

"It delivers the decent rise to minimum wages that working families need and is further indication that working Australians are much better off under the Labor Government's new Fair Work laws.

"Under the so-called Fair Pay Commission set up by the Howard Government as part of WorkChoices, minimum award wages fell by as much as \$97.75 a week.

"Last year's wage freeze was the last gasp of WorkChoices and was an insult to the contribution working Australians make to our economy, which sent the living standards of the lowest paid workers backwards.

"Today's decision will restore some equity and fairness into our economy."

About 1.4 million workers are affected by today's decision, including about 100,000 who earn the National Minimum Wage, which will now rise to \$15 an hour.

Those standing to benefit include cleaners, retail and hospitality staff, child care workers and farm labourers.

The ACTU successfully argued that the recovery of the Australian economy with forecasts of strong GDP and jobs growth made a compelling case for a decent rise to minimum wages.

"The increase in minimum wages is a testament to the economic management of the Labor Government, which saved 200,000 jobs in the global downturn and is predicted to create 450,000 new jobs over the next two years.

"In its decision Fair Work Australia has specifically recognised the massive increase in company profits under the period of the Howard Government at the expense of wages for working Australians. It cites evidence that the productivity of employees has increased by up to 20% and recognises that award workers should be fairly rewarded for their hard work."

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