Wednesday 6 March 2019

**Nobody should work full-time and live in poverty**

The peak body for working people re-stated its call for a living wage in Australia.

Australia was the first country in the world to win a living wage for working people – a recognition of the basic principle that nobody should work full-time and live in poverty. This is the basis of the fair go.

Our current minimum wage of $37 398 is too low. It is not a living wage. In its last determination the Fair Work Commission admitted that it leaves many people working full-time in poverty.

Australia desperately needs a pay rise. The problem of low wage growth has been repeatedly called out by Reserve Bank Governor Philip Lowe. Today’s national accounts figures, which show lower household spending, show a lack of fair pay rises is holding our economy back.

Wage increases for the lowest-paid workers stimulate demand and can get our economy moving again. When people on low incomes get pay rises they spend them in their local communities.

This means more money circulating for small and medium businesses as demand is stronger.

**Quotes attributable to ACTU Secretary Sally McManus:**

“We have been saying for a long time that our current minimum wage – just over $37,000 a year – is too low and needs to be raised to a living wage.

“A living wage means that nobody should work full-time and live in poverty.

“If we do not introduce a living wage we will end up like America where teachers and even pilots have to work two jobs just to survive.

“The independent umpire needs new rules that allow it to determine what a living wage should be based on the costs and needs of working people.

“The workplace umpire should also determine how a transition to a living wage takes place and the time over which it should be phased in.”

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