

Tuesday 26 March 2019

Labor to re-instate living wage

A Shorten Labor government will replace the minimum wage with a living wage, ensuring that no full-time worker lives in poverty.

The return to a living wage – an idea which was first implemented in Australia more than 110 years ago, would be significant step forward in the fight against low wage growth and poverty in this country.

The ALPs policy would require the FWC to consider what minimum wage is necessary to ensure a comfortable life for a full-time worker and then they would determine how it would be phased in.

Business in Australia is driven by domestic consumption and this in turn is driven by wages. An end to low wage growth would benefit small and medium businesses.

Quotes attributable to ACTU Secretary Sally McManus:

“The living wage is an Australian idea, it’s time it was bought back. It is the essence of a fair go – workers should not be working full-time hours and earn poverty wages.

“Unfortunately, the living wage has been eroded over time, and now the Fair Work Commission points out that the minimum wage does not lift all workers who rely on it out of poverty and the current rules prevent them from fixing it.

“The re-establishment of a living wage would ensure that full time work means a comfortable life and enough money to live on, not simply to avoid starvation.

“It is essential that working people start getting the pay rises they deserve because at the moment they are not. Wages are not keeping up with rising costs of living. This is an essential and fantastic first step to fixing our broken wages rules and stands in contrast to years of inaction from the Morrison Government, who now admit that low wage growth is not a side-effect but a design feature of their economic policies.”

Media contact: Peter Green 0400 764 200; ACTU Media: 03 9664 7315