

Wednesday, 26 September 2018

## **Morrison's pay raise gaffe exposes trickle-down fallacy**

Prime Minister Scott Morrison's comments to ABC radio national this morning indicate that he is following the same failed trickle-down path as his predecessors when it comes to the pay rises working people need to keep up with the cost of living.

Mr Morrison, who received a \$150,000 pay rise to \$527,852 when he became PM, said that pay rises would happen when company profits became sufficiently high. Yet there is absolutely no evidence that wage increases come from higher profits.

Australia has had nearly 30 years of uninterrupted economic growth, yet workers' share of GDP is at a near-record post-war low. Pay rises in the private sector are below inflation and are well behind key living costs like petrol, utilities, transport, housing and health costs.

A recent independent poll commissioned by the ACTU found that 4 in 5 working people either have haven't had a pay rise in the last year, or the rise they got didn't keep up with living costs.

### **Quotes attributable to ACTU President Michele O'Neil:**

"People who work hard and create profits for their bosses deserve a fair share of those profits, so they can provide for their families."

"Scott Morrison believes in a failed trickle-down fairytale that says if you give enough money to multi-national corporations and the already very wealthy, they'll eventually decide to share it with working people. That is nonsense.

"Bosses give people fair pay rises when the law requires them to, or when working people can negotiate and win them.

"Right now, big business has too much power and companies are just saying no to fair pay rises.

"Our system is out of balance. We need to change the rules so that working people have the tools they need to negotiate and win the fair pay rises they deserve."

**ENDS**

**Media contact: Lachlan Williams 0447 682 027, ACTU Media: 03 9664 7315**