

Sunday, 15 May 2011

Unions press for wage rise for low paid as research shows most Australians support more wealth equality

New research showing Australians strongly favour a more equal distribution of wealth bolsters the case for a \$28 a week wage rise for the nation's lowest paid workers, say unions.

Unions will tomorrow press the case for a \$28 wage rise for the nation's lowest wage earners, as new research shows overwhelming support from Australians to reduce wealth inequality.

The ACTU will present the research into attitudes towards wealth, inequality and the minimum wage when Fair Work Australia Minimum Wage Panel begins its hearings into the annual wages review.

The claim on behalf of about 1.3 million workers is for a \$28 a week increase in the National Minimum Wage and in other award minimum wages up to the benchmark tradesperson's rate; and a 4.2% increase for other award workers. It would lift weekly wages from \$569.90 to \$597.90 – a 74c/hour increase from \$15 an hour. The ABS' cost of living index jumped 4.5 per cent in 2010.

"This is a modest claim to ensure the one in six workers who are dependent on awards are not left behind by Australia's economic prosperity," said ACTU Secretary Jeff Lawrence.

Mr Lawrence will present the Panel with the new research to investigate what Australians believe the minimum wage is and what they believe it should be.

"The research shows Australians dramatically underestimate the degree of wealth inequality within society," Mr Lawrence said. "It reveals that Australians understate the wealth of the richest among the community and even more dramatically overstate the wealth of the poorest people.

"When asked what they believed the minimum wage was, Australians overstated it by an average of \$1.80 per hour, or \$68.40 per week. More than 80% also believed it should be even higher.

"This research adds to our case the fact that people in society are genuinely surprised to learn what the minimum wage actually is and believe Australia should be much fairer. But while the average Australian is shocked, the reality is 1.3 million people survive each week on minimum wages – that's almost 2.5 times the population of Tasmania."

The research was commissioned by the ACTU and conducted by academics from Harvard University and Duke University, in association with Melbourne-based Empirica Research. It is available at www.actu.org.au

Media doorstep

ACTU Secretary Jeff Lawrence will be available for comment before the hearing begins.

9am

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