

Thursday, 24 March 2022

Morrison projects real wage cuts deepening this year

Wages for the average Australian worker will go backwards by another \$600 in the first half of this year alone, based on leaked wage projections from the Federal Budget.

This is on top of an \$800 pay cut in real terms from last year for workers on the average wage of \$68,000.

From wage projections released by the Morrison Government this morning, wages are expected to inch upwards by 3 per cent for the 2022-23 financial year. But inflation is now projected to hit 4.5 per cent by the middle of this year according to the Reserve Bank.

If these optimistic wage growth estimates hold true, the average worker will go backwards by \$600 in the first half of this year. 52 out of 55 growth estimates issued by this Government have overestimated wage growth.

Wage growth has been at record or near-record lows for almost a decade under this Government. Wages going backwards have laid the groundwork for the current cost of living crisis.

Quotes attributable to ACTU Secretary Sally McManus

“Working people are looking at another year of real wage cuts under the Morrison Government which has gone missing in action when it comes to wage growth for working people.

“You can’t fix cost of living without lifting wages.

“The Prime Minister could take steps tomorrow to generate real wage growth by agreeing to real pay rises for his own employees, or supporting a significant increase in the minimum wage.

“Working people are feeling it big time at the moment. Their wages are going nowhere while the costs of essentials – groceries, rent and petrol – are skyrocketing.”

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