

Friday 1 July 2022

Wage increase comes into effect on the first full pay period after today, for one in four workers

At the conclusion of the first full pay period after today, almost 3 million award-reliant and minimum wage workers in Australia will receive a well deserved pay increase.

Those on the minimum wage, or close to, will receive a 5.2 per cent increase, while those on awards will receive either 4.6 per cent or \$40 a week, whichever is higher.

The union movement fought hard for this historically high increase during this year's Annual Wage Review despite opposition from business lobby groups and the former Morrison Government, both of whom called for deep real wage cuts.

This increase will provide relief for our lowest paid workers, but does nothing for the remaining three quarters of working people who are – on average – experiencing deep real wage cuts after nearly a decade of record low wage growth.

Many of these workers rely on a broken bargaining system for pay rises. The collective bargaining system has been left devastated by almost a decade of Coalition governments pushing through anti-worker laws that limit the ability of Australian workers to win pay rises and have left us with a system which does not deliver wage growth that keeps pace with the cost of living.

Quotes attributable to ACTU Secretary Sally McManus:

“If you're on the minimum wage or an award wage, check your payslips. Make sure your employer is passing on the increase from your first full pay period after the 1st of July.

“Aside from the Annual Wage Review, the collective bargaining system should be the best tool we have available to generate wage growth. But after almost ten years of a Government that consistently attacked the ability of workers to organise and bargain the system is not delivering pay rises, and we need to fix it urgently.

“We're currently in a cost of living crisis, with low unemployment, productivity growing, profits at record highs but wage growth lagging well behind the cost of living. The bargaining system is broken and no longer delivering the wage growth that should be driving economic growth.

“Wage growth which keeps pace with the cost of living is the least Australian workers should expect after nearly ten years without a real pay rise, capped off by years of real pay cuts, a pandemic and a cost of living crisis.”

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