media release

ACTU
australian council of trade unions

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Low unemployment not delivering wage growth or keeping workers safe

Unemployment has fallen steeply from 3.9 to 3.5 per cent, but with a broken bargaining system workers are unlikely to see any translation to wage growth, with real term pay cuts likely to continue through this year and into next.

Working people have been promised that a tighter labour market, higher productivity and businesses recovering would mean higher wages, but with remarkably low unemployment, productivity growing and record profits and CEO bonuses, wage growth remains well below inflation.

The ABS data released this morning also shows that 776,000 people missed work due to illness in June, the second highest number on record, only narrowly behind the all-time record set in May.

Quotes attributable to ACTU Assistant Secretary Liam O'Brien:

"All the variables that workers have been told would drive wage growth are now in alignment, but we are still seeing real wage cuts stretching into the distance. The reality is that wage growth is being held back by our bargaining system, which is broken.

"With a functioning bargaining system, low unemployment, productivity growing and profits and bonuses at all-time records would translate into wage growth for working people.

"The recovery from the pandemic is not being shared across the economy. We need to fix the bargaining system to kick-start wage growth for workers who have been missing out for a decade under the previous Government.

"We are seeing a record level of people missing work due to illness, and all indications are that it is getting worse. This is not the time to be pulling supports like the disaster leave payment and free RATs that allow workers to keep themselves and their communities safe."

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