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Wage crisis deepens for workers

Today's update from the Treasurer means that wages are not expected to grow in real terms until the middle of 2024, meaning workers suffering during the cost-of-living crises will worsen.

If these predictions are true, then Australian workers will suffer one of the worst ever collapses in their living standards, as their real wages go backwards over four years

Business as usual won't fix this crisis. Our bargaining system was once the driving force of wages, but it's no longer delivering – the new Albanese Government and the Jobs Summit must change that.

The Treasurer today also confirmed that wages are not contributing to inflation, and that low wage growth is starting to hurt the economy. Growth forecasts have been downgraded because the worsening cost of living crisis is starting to hurt consumer spending.

Quotes attributable to ACTU Secretary Sally McManus:

“Today's update shows that workers are facing one of the worst collapses in their living standards that this country has seen.

“If real wages don't grow until the middle of 2024, that'll be four long and painful years of wages going backwards in real terms.

“Business as usual won't fix this crisis. Our bargaining system should be the driver of wage growth, but it isn't anymore. With the new Albanese Government and the Jobs Summit, we have the opportunity to change that.

“Inflation is not caused by wage growth, it is caused by global issues, floods and businesses putting up prices to increase their profit margins. The big risk to the economy is slowing consumer spending driven by wage stagnation.”

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