

Thursday 29 September 2022

Urgent action needed on wage growth as inflation continues to climb

Inflation remains extremely high, reaching 7 per cent for the year to July and 6.8 per cent for the year to August according to data released by the ABS this morning, as wage growth continues to flatline.

Prices of fruit and vegetables rose by 18.6 per cent in the year to August.

The cost of living crisis that Australian workers are currently struggling through – with wages flat over the last decade and now going backwards in real terms while profits and executive pay continue to set records – is a symptom of our broken bargaining system which is no longer delivering wage growth for working people.

Bargaining should be the engine that drives wage growth and keeps working people's income in line with the rising cost of living, but years of neglect have left the system in desperate need of modernisation. We need a system which is fair, simple and accessible for workers and employers.

Quotes attributable to ACTU President Michele O'Neil:

"The cost of living keeps rising but working people can't keep up because our bargaining system doesn't deliver the wage growth they need.

"Skyrocketing prices of fruit and vegetables and leaving many working people struggling to properly feed their families.

"We only have one in seven workers covered by a current agreement and wages going backwards in real terms with no end in sight.

"We have low unemployment and rising productivity, but instead of wage growth we're seeing record executive bonuses and corporate profits, while bargaining fails to deliver wage growth for the vast majority of working people."

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