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## The 'vision' from Australian business: cut the minimum wage

Australian business is again pushing to cut wages with the Business Council of Australia saying that penalty rates should be re-examined and that the minimum wage could be 'a problem'.

ACTU President Ged Kearney said the BCA's action plan released today showed some vision for Australia so it was disappointing they took a hard line on wages and workers' rights.

"We agree with the BCA that major reforms are needed to secure Australia's prosperity, but the attack on wages and conditions will simply make workers worse off while not improving our economy."

The BCA's action plan calls for an examination of the impact of penalty rates on jobs and an examination of whether the 'high minimum wage prevents new labour market entrants from gaining initial experience' – in other words advocating a cut to the minimum wage.

"It is clear from this report that if Tony Abbott is elected, business will use his Productivity Commission inquiry to push for further cuts to wages and penalty rates," said Ms Kearney.

"This will not only make workers worse off, but will damage business by reducing the spending power of consumers."

The BCA is also calling for corporate tax cuts combined with an increase in the GST – a measure that will lead to higher costs for workers and people on fixed incomes.

Ms Kearney welcomed the Business Council's acknowledgement of a range of other important issues, like skills development, innovation and infrastructure.

"We hope they follow through with a mature and broad debate about the future of the Australia's economy that moves beyond the business fetish with winding back workplace rights."

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