

# Wage rises vital to growing economy



Wage increases for working people are essential for the recovery from the pandemic and the arguments being made against them are in bad faith and dangerous to the economy, according to a new report from think tank group Per Capita.

The report notes that the Morrison Government has projected a miraculous recovery to 5.5 per cent growth in consumer spending in 2021-22, a target which cannot be reached without strong growth in wages, and after nearly a decade of record-low wage growth.

The report notes that profits grew by 14.9 per cent in the June 2020 quarter alone, but the employer groups representing Australia's biggest businesses – Australian

Industry Group and Australian Chamber of Commerce and Industry – are arguing for a 1.1 per cent minimum wage increase (a cut in real terms) for a quarter of the workforce.

ACTU Secretary Sally McManus said the report showed the brutal reality of the position being taken by big business groups and the Morrison Government.

"Cuts to the minimum wage mean lower standards of living for millions of workers, and employers are pressing ahead with this in the midst of a pandemic, while the economy is recovering from a recession," she said.

"You'd think that a 14.9 per cent increase in profits over a quarter would be enough for some of these employers, but they will always try to squeeze more out of the working people who carried this country through the worst of the pandemic, and the Morrison Government is cheering them on.

"It doesn't come as a surprise to workers that a government which has overseen a record-setting stretch of low wage growth now has an economic plan which does nothing to increase wages.

"We are nearing a decade of record low wage growth. A pay increase for wage earners is in the national interest. We need the Morrison Government to put ideology aside and support a wage rise which will strengthen the economy and secure the recovery."

Authorised by Mary Franklyn, General Secretary, The State School Teachers' Union of W.A.

ABN 54 478 094 635 © 2025