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Abbott Government's sustained attack on Australia's lowest paid – cruel Federal Budget and savage cuts to minimum wage

The Abbott Government is engaging in a sustained attack on Australia's lowest paid workers which will see their living standards crushed.

Speaking at a rally in Adelaide today, ACTU President Ged Kearney said that combined with the cruel and unfair Federal budget that disproportionately affects low income earners, the Abbott Government is also considering a plan to cut the minimum wage every year for ten years which will have catastrophic consequences for Australia's lowest paid workers.

"Tony Abbott is not 'sharing the pain' as he said, he is going after those that can least afford it," Ms Kearney said.

"Cutting the minimum wage every year for ten years will entrench a 'US style' working poor in Australia.

"Under the plan being considered by the Government, Australia's minimum wage will be reduced to 44% of average weekly earnings, wiping off \$136 per week in today's dollars, taking the minimum wage down to around \$480 per week, or just \$12 per hour.

"Within only two to three years, Australia's minimum wage would be lower than Britain and Canada's as a proportion of the average wage leaving Australia's 1.5 million lowest paid workers substantially worse off.

"This is a recipe straight out of the United States - pushing down the minimum wage, getting rid of decent health services and privatising core Government services."

Ms Kearney said the Government is supporting the business lobby who want to see wages and conditions cut and via the Commission of Audit recommended this radical plan to savagely cut the minimum wage.

"In the Government response to the Commission of Audit - released on budget night when no one was looking - Treasurer Joe Hockey said 'issues around the minimum wage will be considered after the budget'.

"This is obviously why Employment Minister Eric Abetz wouldn't categorically rule out the plan last week.

"The Government needs to emphatically and unequivocally rule out changes to the minimum wage and reassure low paid workers immediately."

Ms Kearney said the Federal Budget has made clear that the Liberal Government vision is of a harsher, less equal Australia.

"The Abbott Government's assault on welfare, Medicare, education, young people and the public sector represents the end of the fair go and the biggest attack on the social wage this country has ever seen.

"ANU Policy experts have found that Mr Abbott's budget will mean a single parent on the

parenting payment with one child aged six will be 10.2% worse off while someone earning three times the average wage will lose just 0.9% of their take home income. A 23 year old who is unemployed will be 18.3% worse off.

“A high income childless couple on \$360,000 a year will not lose anything.

“Australians did not vote for what the Government has delivered in this budget.”

SA Unions State Secretary Joe Szakacs says the fight to raise the wage is crucial for South Australian workers.

"We know that Tony Abbott and his big business mates who wrote the Commission of Audit report want special treatment for South Australians.

"Not only are they arguing against any decent increase in people's take home pay, they also want working people here to be paid a lower minimum wage than people in other states.

"Tony Abbott's plan is to attack the pay packets of all Australians and he's starting with our lowest paid workers."

The ACTU will appear before the Fair Work Commission for today's hearings in the Annual Wage review.

Weekly cut to minimum wage if recommendations implemented immediately

	Aus	NSW	Vic	Qld	WA	SA	Tas	ACT	NT
NMW	\$622.20	\$622.20	\$622.20	\$622.20	\$622.20	\$622.20	\$622.20	\$622.20	\$622.20
Min wage under Commission's plan	\$486.20	\$486.20	\$460.24	\$474.76	\$486.20	\$430.76	\$412.72	\$486.20	\$486.20
Cut to min wage	- \$136.00	- \$136.00	- \$161.96	- \$147.44	- \$136.00	- \$191.44	- \$209.48	- \$136.00	- \$136.00

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