

Thursday 23 February, 2017

Prime Minister must act to protect workers from drastic penalty rate and public holiday pay cuts

The following statement is attributable to ACTU President Ged Kearney:

The Fair Work Commission's (FWC) decision to radically cut Sunday and public holiday pay will give almost one million Australian workers a huge pay cut.

The Australian Council of Trade Unions (ACTU) calls on the Turnbull Government and all political parties to immediately act to protect working people from any cuts to their take home pay, as the cuts are due to come into effect on 1 July, 2017.

Hospitality, restaurant, fast food, retail and pharmacy workers will have their Sunday penalty rates cut between 25% and 50%. Public holiday pay was also slashed by up to 25%.

This is a loss of up to \$6,000 per year for some workers. No worker will be better off as a result of this decision.

This is a cut Australian workers cannot afford and do not deserve. The decision also comes a day after record low wage growth was reported for the second consecutive quarter. Australians deserve a pay rise, not a pay cut.

This decision is a game changer for industrial relations in Australia. The independent umpire makes decisions based on the rules they are given. These rules are contained in our laws. We need the rules to change so penalty rates cannot be cut and our parliament must act now to protect working people.

The ACTU will never accept cuts to penalty rates that result in cuts to take home pay and this is exactly what this decision has done.

Unless he acts now, Prime Minister Malcolm Turnbull will be forever remembered as the prime minister who oversaw the cutting of the take home pay of almost one million of Australia's lowest paid workers.

Retail, fast food, pharmacy and hospitality workers work extraordinary hours and deserve to be compensated for working on weekends and late nights when the vast majority of the Australian workforce does not.

Families across Australia rely on penalty rates to put food on the table every week and to keep households afloat in difficult times.

This decision now leaves the door open for pay cuts for all Australians who rely on penalty rates and public holiday pay to support themselves and their families, including nurses and all other frontline emergency service workers.

ENDS

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