

2021/22 Budget Submission City of Melbourne

By your side



The Australian Services Union represents hundreds of workers at the City of Melbourne. Our members work in all parts of the Council and in a broad range of classifications. Our members are for the most part low paid workers, with the majority earning between \$48,000 and \$75,000. Many worked on the front line through the lockdown last year, putting themselves and their family's health and safety at risk.

The Draft Budget 2021/22 establishes the financial parameters for employee remuneration for the coming years. The proposed budget does not provide adequate funds to provide workers a fair pay increase to ensure their wages keep pace with cost of living and they are recognised for their contributions to the Council and community.

It has been nearly three years since City of Melbourne workers have received a pay increase. Workers who earn as little as \$48,000 per year are seeing their wages fall below cost of living.

In the same period, City of Melbourne Councillors remuneration has been increased by 4%. The Lord Mayor's remuneration has increased by \$7,800 over this period.

Council officers have provided the ASU with a briefing about the budget. It has been confirmed that money put aside for worker's wages over the last two years has been expended on other initiatives, most notably the recent rates deferral announcement. The ASU has been advised:

- In the 2019/2020 budget, the employee cost line item was increased in the order of 2.25% but those pay increases were not paid to workers. This funding was banked by the City of Melbourne.
- In 2020/2021, this financial year, the March Quarterly Financial Statement shows there is \$8.7 million still available to be spent in the employee entitlements line item. Council officers have advised that this money is to be spent on the deferment of resident rates and is not available for pay rises this year.

The wage assumption in the 2021/2022 Draft Budget provides for a pay increase of just 1%, with no funding allocated for the pay increases that were due on 1 July 2019 and 1 July 2020.

This big spending budget has prioritised rate deferments, subsidized dining initiatives and expensive 'Greenline' footpaths over its own workers, who have waited three years for a pay rise. We are mindful of the financial challenges that face the City of Melbourne but it is clear the interest of rates payers and Melbourne diners are being put above the City's own low paid workers.

The ASU calls on City of Melbourne Councillors to revise the draft budget to allocate funds to ensure its workers are remunerated fairly.

For more information please contact:

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