

Submission on the 2026 State Wage Order

Appl No. CICS 1 of 2026
ON THE COMMISSION'S OWN MOTION

**Western Australian Industrial
Relations Commission**

13 May 2026

CONTACT DETAILS

Tel: 08 6313 6000

Street Address: Level 4, 445 Hay St
Perth WA 6000

Postal Address: PO Box Z 5380 St Georges Tce
Perth WA 6831

Whadjuk Country

Email: Graham Hansen
graham.hansen@unionswa.com.au



1. Introduction

- 1.1. UnionsWA is the peak body of the trade union movement in Western Australia and the Western Australian Branch of the Australian Council of Trade Unions (ACTU). It represents 29 affiliated unions, who in turn represent approximately 150,000 Western Australian workers.
- 1.2. Section 50A(3) of the *Industrial Relations Act 1979 (WA) (IR Act)* states that in making an annual State Wage order the Western Australian Industrial Relations Commission (Commission) shall take into consideration, amongst other things,
- (a) *the need to:*
 - (i) *ensure that Western Australians have a system of fair wages and conditions of employment; and*
 - (ii) *meet the needs of the low paid; and*
 - (iii) *provide fair wage standards in the context of living standards generally prevailing in the community; and*
 - (iv) *contribute to improved living standards for employees; and*
 - (v) *protect employees who may be unable to reach an industrial agreement; and*
 - (vi) *encourage ongoing skills development; and*
 - (vii) *provide equal remuneration;**and*
 - (b) *the state of the economy of Western Australia and the likely effect of its decision on that economy and, in particular, on the level of employment, inflation and productivity in Western Australia;*
 - (c) *to the extent that it is relevant, the state of the national economy;*
 - (d) *to the extent that it is relevant, the capacity of employers as a whole to bear the costs of increased wages, salaries, allowances and other remuneration;*
 - (e) *for the purposes of subsection (1)(b) and (c), the need to ensure that the Western Australian award framework represents a system of fair wages and conditions of employment;*
 - (f) *relevant decisions of other industrial courts and tribunals; and*
 - (g) *any other matters the Commission considers relevant.*
- 1.3 UnionsWA conducted a survey of workers in Western Australia from December 2025 to February 2026. Some of the stories of those workers are shared in this submission, with false names provided in the interests of maintaining anonymity.

2. UnionsWA position on increasing Award and Minimum Wages

- 2.1. UnionsWA contends that the Commission should make a meaningful real wage increase for state minimum wage and award-reliant workers. This is essential to maintaining a fair

and relevant minimum safety net for the lowest paid workers in the state industrial relations system. Therefore, UnionsWA’s claim is for an increase to the State Minimum Wage of **\$61.95 per week**, with commensurate increases of **6.5 per cent** to award wages. This would bring the State Minimum Wage to **\$1,014.95** per week, or **\$26.71** per hour. See the table below for how a 6.5 per cent increase would impact award rates, based on the *Manufacturing, Maintenance and Metal Trades Award*.

Award classification	Current rates		Proposed rates		\$ Difference	
	Weekly	Hourly	Weekly	Hourly	Weekly increase	Hourly increase
C14	\$953.00	\$25.08	\$1,014.95	\$26.71	\$61.95	\$1.63
C13	\$953.00	\$25.08	\$1,014.95	\$26.71	\$61.95	\$1.63
C12	\$981.90	\$25.84	\$1,045.72	\$27.52	\$63.82	\$1.68
C11	\$1,008.90	\$26.55	\$1,074.48	\$28.28	\$65.58	\$1.73
C10	\$1,055.10	\$27.77	\$1,123.68	\$29.57	\$68.58	\$1.80
C9	\$1,084.00	\$28.53	\$1,154.46	\$30.38	\$70.46	\$1.85
C8	\$1,112.40	\$29.27	\$1,184.71	\$31.18	\$72.31	\$1.90
C7	\$1,138.70	\$29.97	\$1,212.72	\$31.91	\$74.02	\$1.95
C6	\$1,195.90	\$31.47	\$1,273.63	\$33.52	\$77.73	\$2.05
C5	\$1,224.70	\$32.23	\$1,304.31	\$34.32	\$79.61	\$2.09

3. The state of the economy of Western Australia and Australia

3.1. UnionsWA contends that, in a situation in which the WA and Australian economies are continuing to perform strongly, combined with rising living costs, a substantial increase in minimum and award wages is required.

3.2. The WA Government’s 2026-27 State Budget outlined that:

- *The domestic economy grew by 3.3% in 2025, continuing to outpace national economic growth, supported by broad-based strength across all components of private demand.*
- *This included a significant lift in business investment of 5.7%, the highest level of dwelling investment since 2018, and solid household consumption. Private demand increased by 3.8% in 2025, the strongest growth rate of all jurisdictions, contributing more than 85% to overall growth in the domestic economy (also the highest contribution in the nation).*
- *Reflecting this strength in private sector activity, State Final Demand (SFD) is estimated to grow by 3.5% in 2025-26, after expanding by 3% in 2024-25. SFD*

growth is expected to moderate from the strong rates in recent years to 2.25% in 2026-27 and 2027-28, as business investment steadies at a high level.

Table 1

KEY BUDGET ASSUMPTIONS
Western Australia

	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual	Estimated Actual	Budget Year	Outyear	Outyear	Outyear
Real Gross State Product growth (%) ^(a)	1.3	3.25	2.25	2.0	2.0	2.0
Real State Final Demand growth (%)	3.0	3.5	2.25	2.25	2.75	2.75
Employment growth (%)	3.1	1.5	1.75	1.5	1.5	1.5
Unemployment rate (%) ^(b)	3.7	4.0	4.25	4.25	4.25	4.5
Wage Price Index growth (%) ^(c)	3.7	3.75	3.25	3.25	3.25	3.0
Perth Consumer Price Index growth (%) ^{(c)(d)}	2.8	5.5	3.75	2.75	2.5	2.5
Iron ore price, \$US/t, CFR ^{(b)(e)}	100.9	104.7	85.2	72.0	72.0	72.0
Iron ore volumes (million dry tonnes)	864	895	897	900	900	898
Crude oil price (\$US per barrel) ^(b)	73.4	79.9	83.9	75.0	72.8	71.4
Exchange rate (US cents) ^(b)	64.8	67.4	68.9	70.4	72.3	74.2
Population growth (%) ^(c)	2.2	1.8	1.6	1.5	1.5	1.5
Interest rate assumptions (%) ^(b)						
– Public Bank Account interest earnings	4.5	4.3	4.8	4.7	4.6	4.6
– Consolidated Account borrowings	3.6	3.9	4.2	4.4	4.5	4.7

3.3. The latest CommSec *State of the States* economic performance report ranked Western Australia as the strongest performing economy in Australia for the fifth consecutive quarter. The state was found to rank first on household spending, housing finance, dwelling starts and equipment spending. The report found that WA had the strongest annual economic momentum of all states and territories, helped by robust household spending, a rebound in the export sector and solid population growth.¹ Notable too is Western Australia’s continued strong population growth. Though it has eased slightly from what was the strong pace in over fourteen years, WA still has the fastest absolute annual population growth in the nation and is 30.6 per cent above the decade average for the year to the March quarter 2025.²

Payroll jobs and wages data

- 3.4. The strong performance of the WA economy over the last few years is also reflected in the most recent Australian Bureau of Statistics (ABS) measure of employee earnings and jobs, sourced from Single Touch Payroll data.
- 3.5. The Single Touch Payroll data provides insights into the growth of employee jobs. Below are the annual state and territory percentage changes in employee jobs as of December 2025.

¹ CommSec, *State of the States* (Report, 27 October 2025).

² Ibid.

Annual percentage change in employee jobs, by state and territory ³	
New South Wales	-0.3
Victoria	-0.2
Queensland	1.1
South Australia	1.8
<i>Western Australia</i>	1.6
Tasmania	-1.4
Northern Territory	0.2
Australian Capital Territory	-0.09
Australia	0.3

3.6. WA had the second largest increase in payroll jobs of any state, after South Australia.

3.7. The Single Touch Payroll data also provides insights into the changes in total wages and salaries paid by employers. Below are the annual state and territory percentage changes in total wages and salaries paid by employers as of December 2025.

Annual percentage change in total wages and salaries paid by employers, by state and territory⁴	
New South Wales	5.0
Victoria	4.7
Queensland	6.8
South Australia	8.8
<i>Western Australia</i>	6.6
Tasmania	4.6
Northern Territory	5.9
Australian Capital Territory	4.8
Australia	5.7

3.8. WA had the third largest increase in wages and salaries of all states and territories.

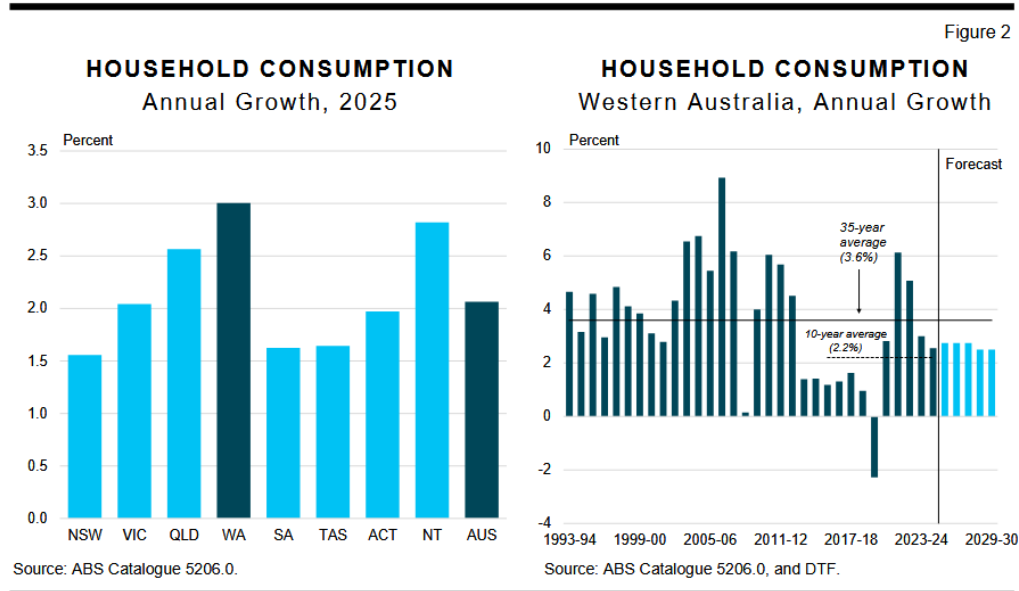
Household consumption

3.9. As noted in the 2026-27 State Budget, household consumption remains resilient on the back of strong population growth, rising disposable incomes and elevated wealth, driven by growth in property prices. Household consumption grew by 3 per cent in 2025, after growing by 2.6 per cent in 2024-26. The Budget notes that while income growth and wealth continue to support consumption, elevated consumer price growth and higher interest rates are weighing on household budgets and are likely to contribute to more cautious spending behaviour.

³ Ibid.

⁴ Australian Bureau of Statistics, *Monthly Employee Earnings Indicator* (19 February 2025).

3.10. The Budget notes that growth in consumption is expected to remain at 2.75 per cent in 2026-27 and 2027-28, before moderating to 2.5 per cent in the outyears due to expectations around slowing population growth and a gradual easing in the contribution from wealth as house price growth moderates. Importantly, the Budget identifies growth in wages and employment as what is expected to provide ongoing support to aggregate household consumption.



Household savings ratio

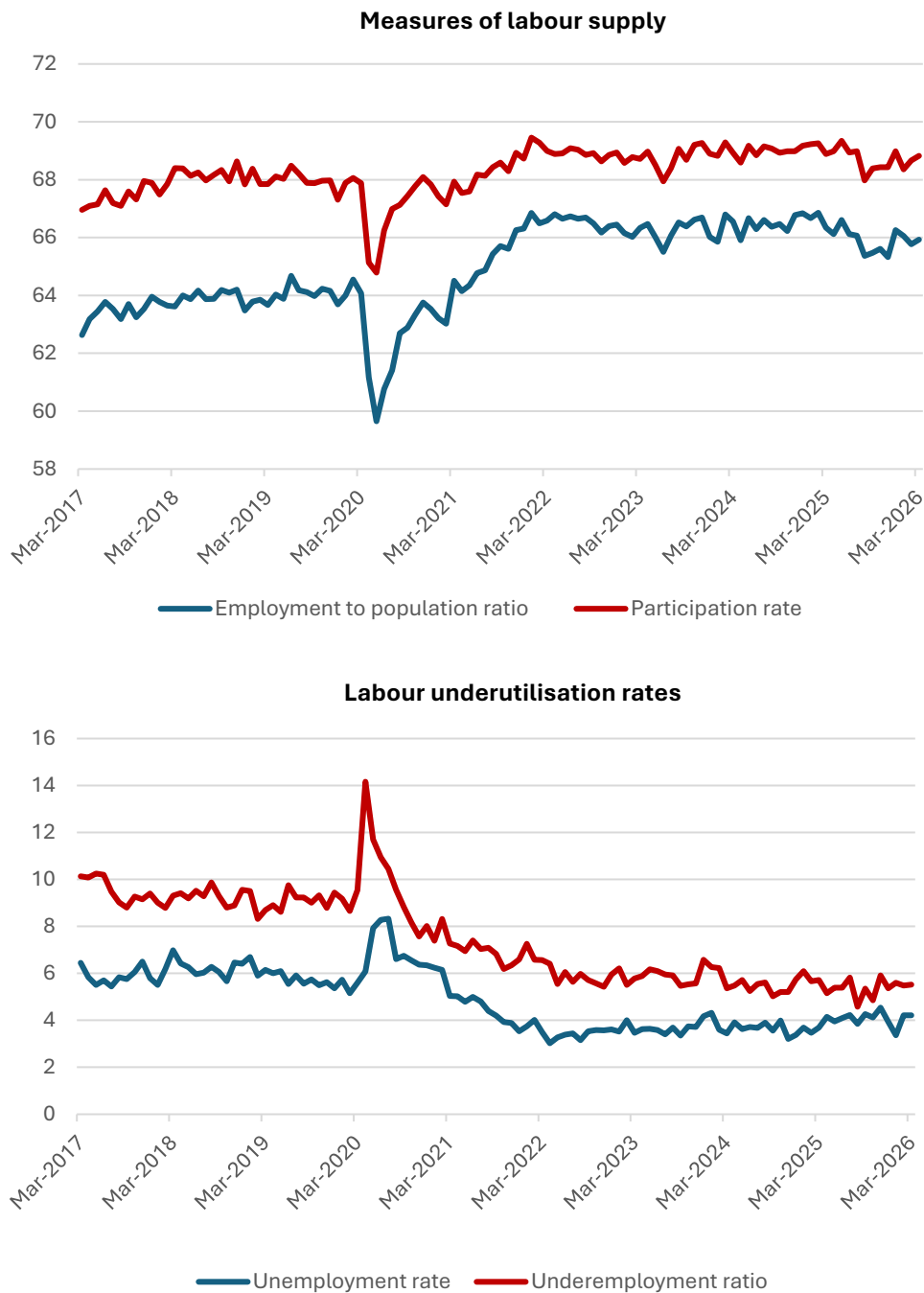
3.11. The national household savings to income ratio rose to 6.9 per cent in December 2025, up from 6.1 per cent a quarter earlier and up from 5.5 per cent in December 2024. This indicates households are saving income gains. Fewer award and minimum wage workers will have this option, however, and the need for financial resilience by households suggest that a solid increase and award and minimum wages is necessary to mitigate challenges to household budgets.



Source: Australian Bureau of Statistics, Australian National Accounts: National Income, Expenditure and Product December 2025

Labour Force

3.12. Strong labour market outcomes also reflect the resilience of Western Australia's economy over 2025. WA has the third lowest unemployment rate of the states at 4.2 per cent and the lowest underemployment rate of 5.6 per cent, not including the territories. WA has sustained an unemployment rate below 4.5 per cent since August 2021 and has an underemployment rate below 6 per cent since March 2024. At the same time, WA has recorded the highest labour force participation rate of all the states at 68.8 per cent and employment to population rate of 65.9 per cent.



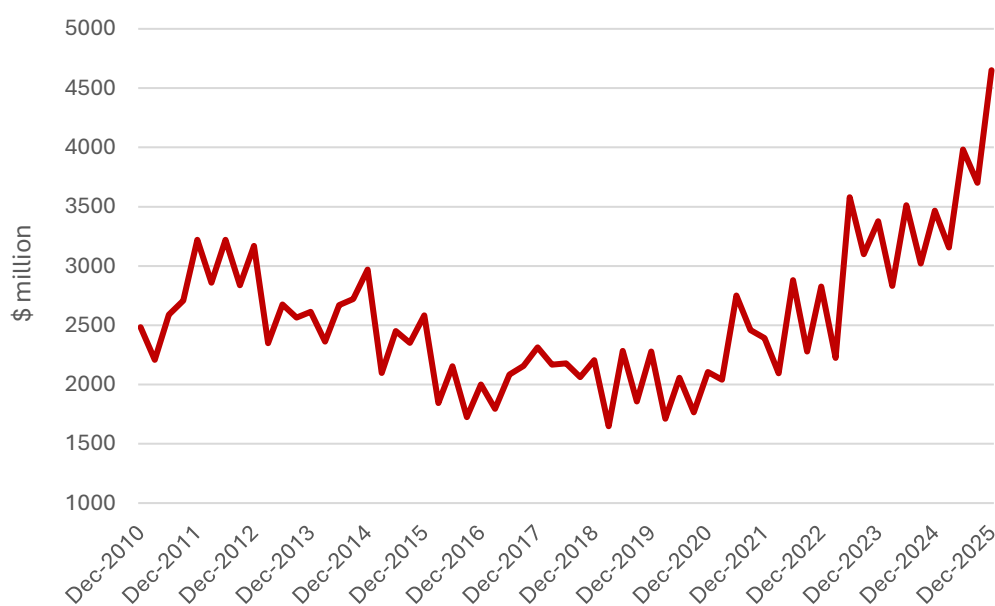
Source: ABS Labour Force, Australia

Business Investment and Activity

3.13. The 2026/27 WA Budget records that business investment grew by 6.75 per cent in 2025-26, supported not only by elevated machinery and equipment spending in the iron ore and gold sectors, record mineral exploration and continued construction activity on large resource projects, but also by very strong growth in non-mining investment. Business investment is then projected to stabilise at a high level in 2026-17 and 2027-28. Business investment is expected to rise steadily over the Budget's forecast period to reach around \$70 billion by 2029-30, which is the highest level since 2014-15.

3.14. Total non-mining private new capital in Western Australia rose by 25.7 per cent in the December quarter 2025, to be 34.2 per cent higher than a year earlier. This investment in new tangible assets, including major improvements, alterations, and additions, by businesses outside of the mining industry, is indicative of expectations relating to growth and increased activity.

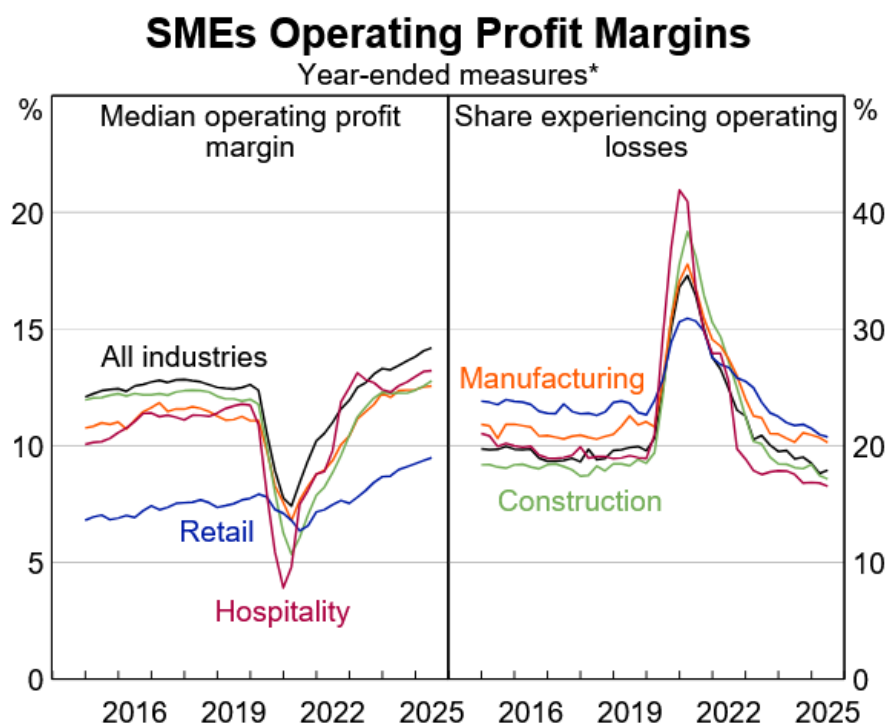
Total private new capital expenditure in Western Australia, non-mining, current price⁵



Source: ABS, *Private New Capital Expenditure and Expected Expenditure, Australia*

⁵ Australian Bureau of Statistics, *Private New Capital Expenditure and Expected Expenditure, Australia* (26 February 2026).

3.15. In its March 2026 Financial Stability Review, the Reserve Bank of Australia (RBA) noted that based on operating profit margins data available up to the June quarter 2025 ‘most firms had been able to slightly improve their operating margins, despite strong input cost growth over recent years.’ As a result, the share of small and medium-sized firms (SMEs) making operating losses has decreased over the past few years.⁶



Source: RBA, *Financial Stability Review*

3.16. In the RBA’s May 2026 *Statement on Monetary Policy*, they observe that although business confidence fell sharply in March 2026, business conditions have remained relatively stable, with forward orders having remained around their long-run average. The RBA notes that lower business confidence is typically only weakly correlated with business investment.⁷

Business entries and exits

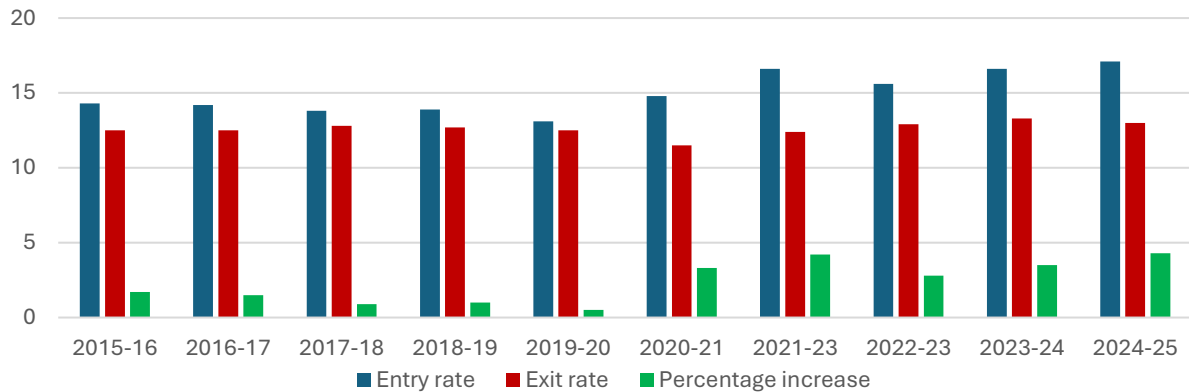
3.17. Over 2024-25 there was a net growth in the number of businesses in Western Australia, which increased by 10,877, compared to 8,707 the year before. WA had the largest percentage increase of businesses in the nation at 4.3 per cent.⁸ The next highest was South Australia at 2.7 per cent.

⁶ Reserve Bank of Australia, *Financial Stability Review* (Report, 3 April 2026).

⁷ Reserve Bank of Australia, *Statement on Monetary Policy* (Report, 5 May 2025).

⁸ Australian Bureau of Statistics, *Counts of Australian Business, including Entries and Exits* (26 August 2025).

WA business entry rate, exit rate and net change



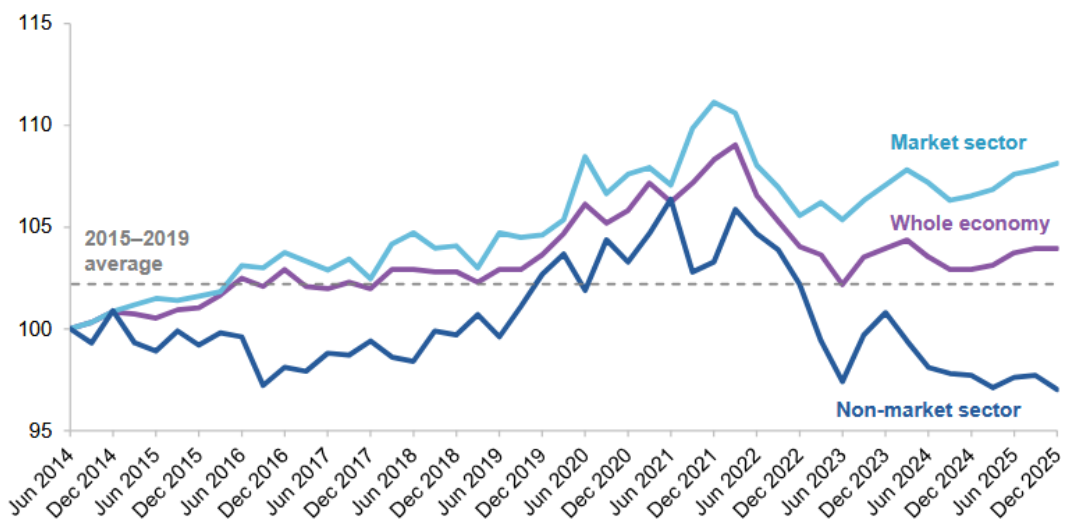
Source: ABS (2025) *Counts of Australian Business*

3.18. The RBA has noted that though the share of companies entering insolvency has increased over the past couple of years, on a cumulative basis it remains below the pre-pandemic trend. The Reserve Bank has identified that insolvencies have increased from exceptionally low levels from the pandemic period when businesses were provided temporary support measures to stay afloat longer, which has led to a ‘catch-up’ as those businesses with underlying issues still failed.⁹

Productivity

3.19. At the aggregate level nationally, growth in GDP per hour worked picked up at the end of the year, rising 1.0 per cent over the year to December 2025. Gross value added in the market sector rose at a slightly faster pace, increasing 1.5 per cent over the year to December 2025.

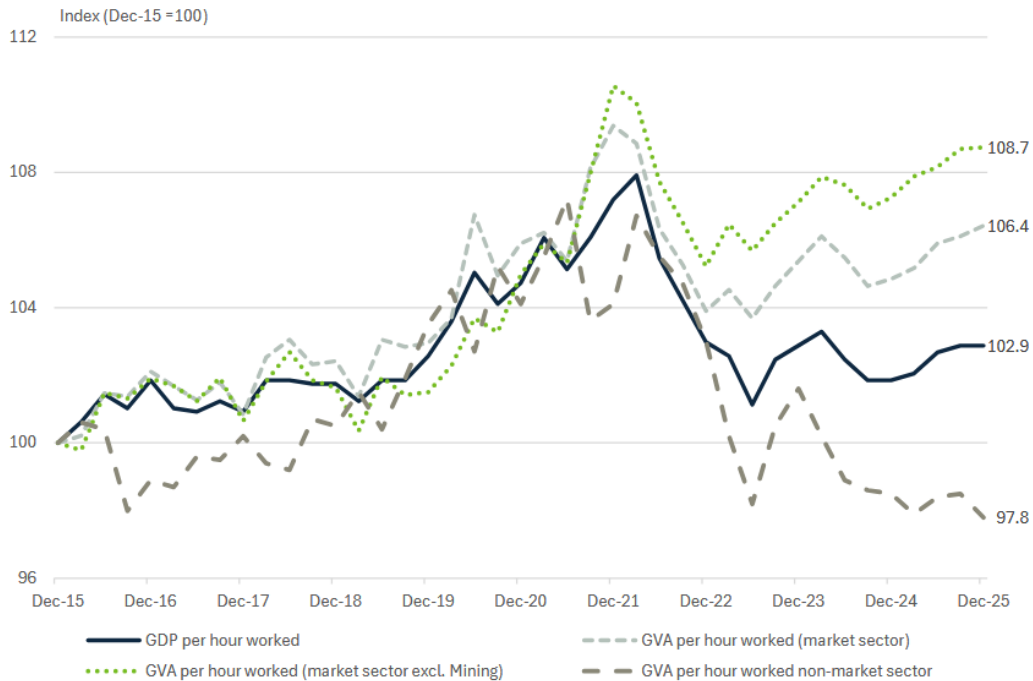
Labour productivity



Source: Productivity Commission, March 2026 Quarterly Productivity Bulletin

⁹ Reserve Bank of Australia, *Financial Stability Review* (Report, 18 March 2026).

Measures of productivity



Source: Fair Work Commission, *Statistical Report – Annual Wage Review 2026*

3.20. As with last year, there is a clear divergence between the growth in market sector and non-market sector productivity. The Productivity Commission has identified that the healthcare industry and its rapid expansion have been ‘the single biggest contributor to Australia’s measured productivity decline.’ As the Productivity Commission notes, however, that this expansion has been critical to meet the changing needs of the population. Further, they note that the ‘quality measurement challenge’ is particularly pronounced in healthcare, with improvements in service quality and customer safety not included in measured output.¹⁰ Previous analysis by the Productivity Commission which studied healthcare for particularly diseases from 2011 to 2018, found that productivity when adjusted for quality changes increased by 3 per cent per annum.¹¹

3.21. In terms of the likely effect of the decision in the State Wage Case on the aggregate level of productivity Western Australia, UnionsWA contends that it is not likely to have any significant impact.

3.22. UnionsWA notes the comments by the Expert Panel in the 2025 Annual Wage Review where they stated, ‘No causal relationship is identifiable between the outcome of this Review and the future productivity performance of the national economy.’¹² Considering that the State Wage Order will cover a smaller number of workers, UnionsWA contends that this is also the case for the State Wage Case and productivity in the Western Australian economy.

¹⁰ Productivity Commission, *Quarterly Productivity Bulletin* (Report, 25 March 2026).

¹¹ Productivity Commission, *Quarterly Productivity Bulletin* (Report, 11 December 2025).

¹² *Annual Wage Review 2025* [2025] FWCFB 3500, 42.

3.23. UnionsWA contends, therefore, that the high level of business investment in Western Australia and the significant investment in non-mining private new capital, demonstrate that it is appropriate to take an optimistic view of the productivity outlook for the sectors that employ workers in the state system.

The state of the national economy

3.24. The Commonwealth Budget papers note that the conflict in the Middle East has impacted the Australian economy. The result of this conflict and the global oil shock is that the forecast economic growth in Australia is projected to slow from an increase of 2¼ per cent in 2025–26 to 1¾ per cent in 2026–27 as inflationary pressures weigh on growth in real incomes and household consumption in the near-term.¹³ This is then forecast to increase again to 2¼ per cent in 2028-29. The Budget states that:

While Australia is not immune from the impacts of the conflict, the Australian economy confronts these challenges from a position of strength. The economy grew strongly through the year in 2025, with broad growth underpinned by a pick-up in private sector activity across both household consumption and private investment. Private final demand made a stronger contribution to growth than public final demand in every quarter of 2025. The unemployment rate has increased but remains low by historical standards, employment has continued to grow, the participation rate remains near its record high and wage growth remains resilient. Australia’s public finances are among the strongest in the developed world, with gross debt lower than every major advanced economy. These fundamentals mean Australia is one of the best placed economies to manage the current challenges.¹⁴

Table 1.1: Major Economic Parameters^(a)

	Outcome		Forecasts			
	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
Real GDP	1.3	2 1/4	1 3/4	2 1/4	2 1/2	2 1/2
Employment	2.1	1 1/2	1 1/2	1 3/4	1 3/4	1 3/4
Unemployment rate	4.2	4 1/4	4 1/2	4 1/2	4 1/2	4 1/4
Consumer price index	2.1	5	2 1/2	2 1/2	2 1/2	2 1/2
Wage price index	3.4	3 1/4	3 1/2	3 1/2	3 1/2	3 3/4
Nominal GDP	3.6	6 3/4	4 1/4	2 3/4	4 3/4	5 1/4

a) Real GDP and nominal GDP are percentage change on preceding year. Employment, the consumer price index and the wage price index are through-the-year growth to the June quarter. The unemployment rate is the rate for the June quarter.

Source: ABS Australian National Accounts: National Income, Expenditure and Product; Labour Force, Australia; Consumer Price Index, Australia; Wage Price Index, Australia; and Treasury.

Source: Commonwealth Government, Budget 2026-27

3.25. The Budget notes that growth in business investment picked up substantially in 2025, driven by non-mining business investment. This momentum in business investment

¹³ Commonwealth Government, *Budget 2026-27* (12 May 2026) 47.

¹⁴ *Ibid.*

growth is expected to continue with capital expenditure intentions for 2025–26 nearing \$200 billion, despite the levels of global uncertainty.

- 3.26. UnionsWA contends that both the WA and Australian economies continue to be well placed for increases to be made to minimum and award wages that compensate for the rising costs of living and materially improve people's circumstances.

Case Study: Olivia*

Olivia lives in outer metro Perth. She works full-time and her weekly income is in the range of \$1,150-\$1,529.

How are you or your household coping financially?

It's a struggle. I've disconnected the internet, have no heating or air con. Stopped driving as much to not only save on fuel but wear and tear on my car as I don't have money to service it. I rarely go out and socialise as I don't have money, so it is incredibly isolating. **I work to survive but I'm not living.** My clothes are 2nd hand only off the \$2 sale racks except underwear. And don't get me started on bras. I can't afford the ones that actually fit as they start at \$60-70 in my size (Kmart does not sell my size) I ended up buying what I can at op shops. **I work full-time and cannot afford basic necessities & have NO savings for emergencies.** I have started to sell off belongings to try and somehow get some emergency funds saved but it's near impossible.

4. The needs of the low paid, fair wage standards & improved living standards for employees

Inflation

- 4.1. Inflation at present is elevated, which is eroding the purchasing power of Western Australian households. CPI provides a key measure of price inflation for households, tracking price movements for a fixed basket of goods and services over time.
- 4.2. The most recent CPI figures for Perth which the Commission in Court Session can consider are those released on 29 April 2026. On the monthly headline measure, Perth CPI rose by 4.6 per cent from March 2025 to March 2026. When the electricity subindex is excluded, to remove the impacts of the temporary household electricity credits, this increase sits at 4.4 per cent.
- 4.3. On a quarterly basis, which the ABS now calculates as the average of the relevant three months of data collected using the current methodology, Perth CPI increased by 4.95 per cent from the March quarter 2025 to March quarter 2026. This was the largest percentage change of any capital city. With the electricity subindex excluded, the increase was 3.7 per cent.

- 4.4. UnionsWA notes the observation by the Bankwest Curtin Economics Centre that it will not be until the April CPI figures to be released on 24 June ‘that we will start to get a good sense of the full flow-on effects on inflation’ from the impact of higher fuel prices.¹⁵ As such, the March CPI figures may understate how much inflation will and is already hitting consumers.
- 4.5. UnionsWA notes too that the impact of inflation on workers and consumers had already been increasing towards the end of 2025, prior to the commencement of the US and Israel war on Iran. Perth’s headline CPI had increased in the September quarter by 4.5 per cent on an annual basis and by 3.9 per cent for the December quarter. With the electricity subindex excluded, the year-on-year figure for the September quarter was 3 per cent and the 3.7 per cent for the December quarter.
- 4.6. The 2026/27 WA Budget forecasts that Perth inflation will reach 5.5 per cent in year-ended terms, excluding the electricity subindex, in the June quarter 2026.
- 4.7. Modelling by the Commonwealth Treasury for a more severe disruption from the conflict in the Middle East predicts that if global oil prices peak as high as US\$200 per barrel during the September quarter 2026, then headline inflation nationally could peak at around 7¼ per cent through the year to the December quarter.
- 4.8. The top ten tradeable and non-tradeable items categories that saw the greatest increases on an annual basis to the month of March 2026 in Perth include:

Tradeable items (goods and services exposed to international trade)

Automotive fuel	Accessories	Lamb and goat	Beef and veal	Coffee, tea and cocoa	Audio, visual and computing media and services	Newspapers, magazines and stationery	Garments for women	Gas and other household fuels	Games, toys and hobbies
25.7	16.8	15.1	11.9	10.3	9.2	8.8	7.5	7.8	7.0

Non-tradeable items (goods and services that do not face international competition)

Tobacco	Child care	Maintenance and repair of motor vehicles	Domestic holiday travel and accommodation	Postal services	Veterinary services and other services for pets	Secondary education	Preschool and primary education	New dwelling purchase by owner-occupiers	Rents
12.1	9.9	8.0	7.6	7.5	7.5	6.6	6.4	5.6	6.4

Source: ABS, *Consumer Price Index*

- 4.9. Workers, and in particular lower paid workers, are usually ‘price takers’ where ‘non-tradeable’ goods are concerned. This is particularly the case with rental prices.

¹⁵ Michael Dockery and Alan Duncan, *BCEC Monthly Labour Market Update – March 2026*, Bankwest Curtin Economics Centre (Report, 21 April 2026).

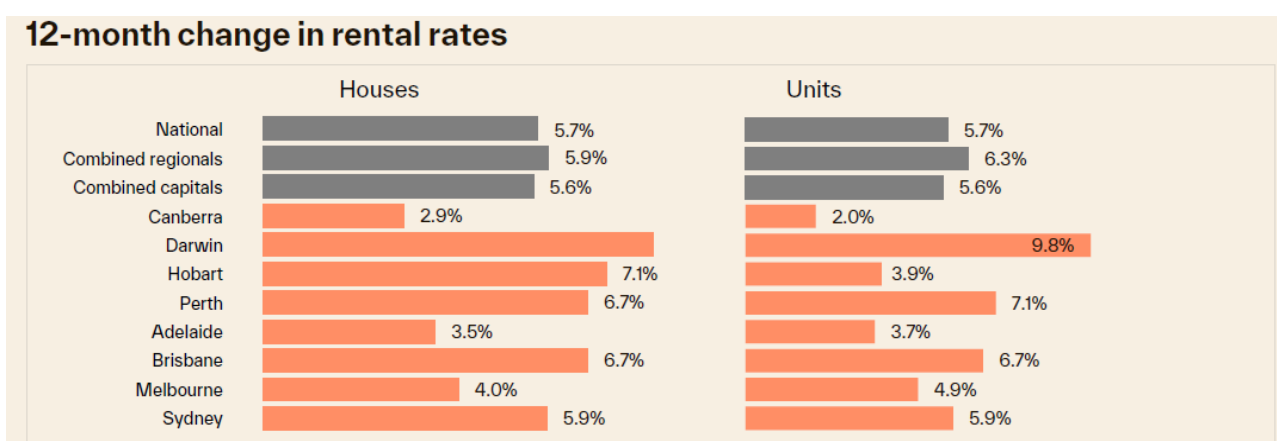
4.10. As the Reserve Bank noted in its most Financial Stability Review, ‘lower income households, many of whom are renters, are more likely to experience financial stress as their essential expenses are a larger share of their disposable income and they tend to have lower savings buffers than other households.’¹⁶

4.11. Nationally, non-discretionary inflation increased by 5.5 per cent through the year and 3 per cent from the previous month. In contrast, discretionary inflation increased by 4.6 per cent through the year and 1.1 per cent from the previous month.

Rental listing data

4.12. CoreLogic’s Quarterly Rental Review reported that Perth had the second largest annual rental increase among the capitals, up 6.7 per cent, with median weekly rent at \$761 as of March 2026. This makes Perth the second most expensive city in Australia in which to rent, after Sydney. House rental rates also increased by 6.7 per cent after the past 12 months, while unit rents increased by 7.1 per cent.¹⁷

Region	Median rent	Change in rents (all dwellings)		
		Month	Quarter	Annual
Sydney	\$824	0.6%	1.9%	5.9%
Melbourne	\$632	0.7%	2.3%	4.4%
Brisbane	\$720	0.8%	2.2%	6.7%
Adelaide	\$646	0.8%	2.2%	3.6%
Perth	\$761	1.1%	3.0%	6.7%
Hobart	\$609	0.6%	1.9%	6.4%
Darwin	\$699	0.8%	1.4%	9.2%
Canberra	\$696	0.4%	1.3%	2.6%
Combined capitals	\$724	0.7%	2.2%	5.6%
Combined regionals	\$612	0.6%	1.9%	6.0%
National	\$692	0.7%	2.1%	5.7%

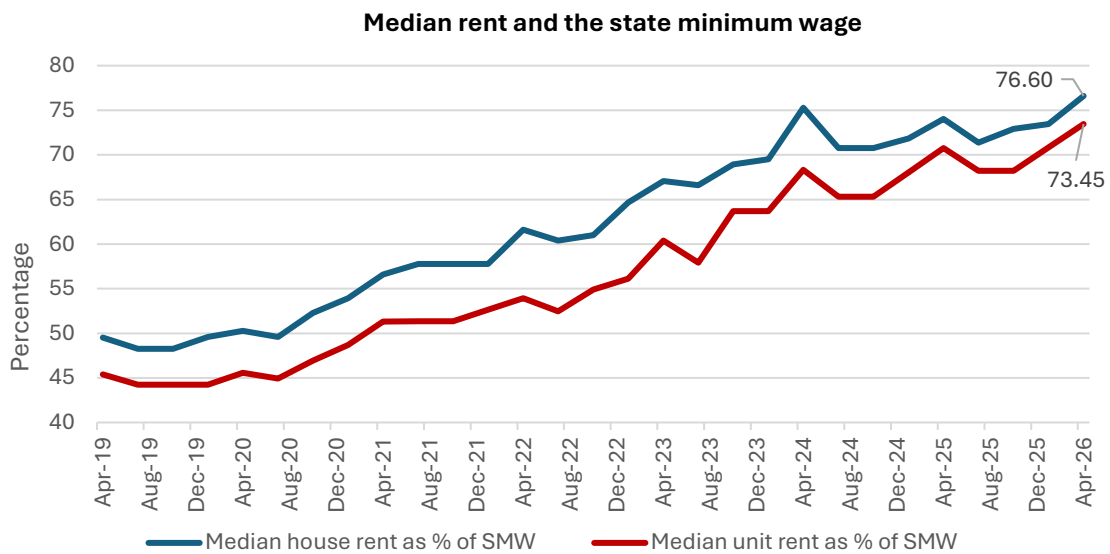


Source: Cotality 2026

¹⁶ Reserve Bank of Australia, *Financial Stability Review* (Report, 3 April 2025).

¹⁷ Cotality, *Quarterly Rental Review* (Report, 15 April 2026).

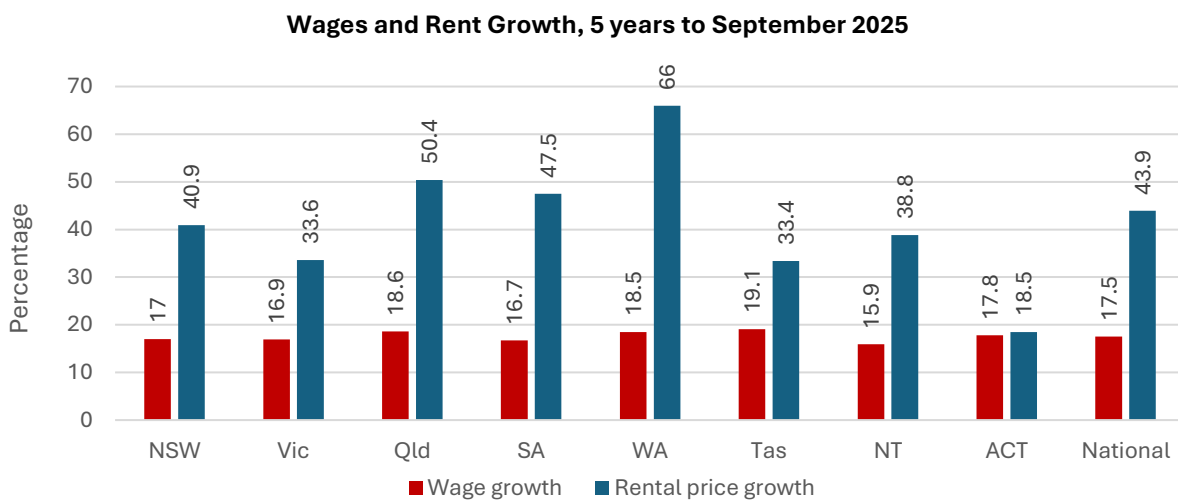
4.13. Examining the median rental data published by the Real Estate Institute of WA (REIWA) reveals that as of April 2026, median house rents consume an astronomical 76.6 per cent of the state minimum wage and median unit rents 73.45 per cent.



Source: REIWA, WA Department of Commerce & UnionsWA calculations

4.14. This indicates that for state minimum wage-reliant workers, the improvements in their income following last year’s State Wage Order have been quickly subsumed by the continuing escalation in rental prices. As such, real wage increases are essential for workers to be able to secure and maintain housing.

4.15. Recent analysis by Cotality shows that Perth in particular has seen rental price growth outpace that of wages. It found that the cost of renting in Perth has increased by 66 per cent over the five years to September 2025, while wage growth as measured by the Wage Price Index only grew over the same period by 18.5 per cent.¹⁸



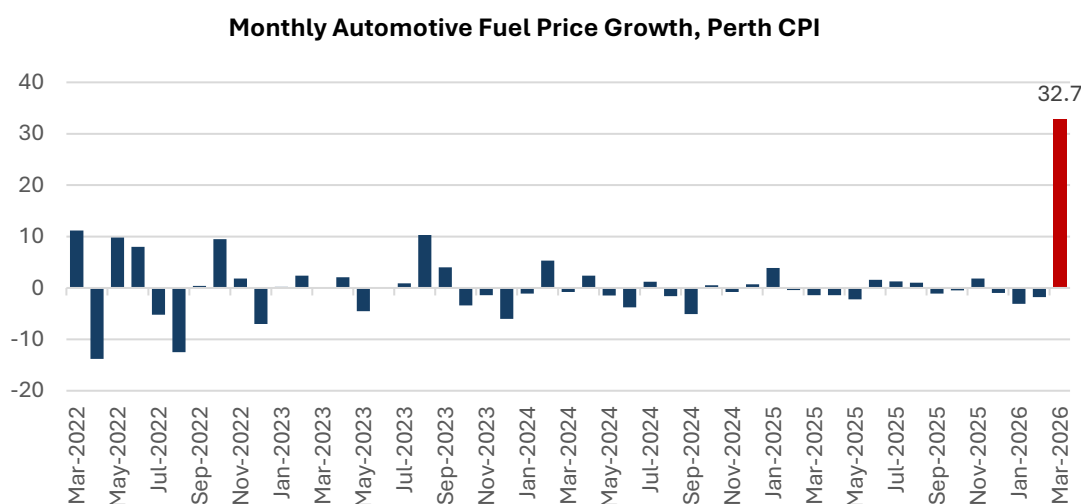
Source: Cotality, ABS Wage Price Index

¹⁸ Cotality, *Monthly Housing Chart Pack* (Report, February 2026).

4.16. Anglicare WA’s 2026 Rental Affordability Snapshot found that for a single person on the minimum wage, only 13 properties or 0.4 per cent of all properties listed for rent on 14-15 March 2026 across Western Australia that were affordable and appropriate. For single parent on minimum wage with two children and for a couple with one child, where they are receiving one minimum wage and the Parenting Payment, there were 24 properties or 0.7 per cent of those listed. For a couple with two children where both parents are earning a minimum wage, there were only 115 properties across the entire state that were affordable and appropriate, accounting for 3.5 per cent of advertised rental properties.¹⁹

Fuel prices

4.17. A notable element of the March 2026 CPI figures is the significant spike observable for automotive fuels.



Source: ABS March 2026 CPI

4.18. Metro average weekly unleaded petrol prices increased from 163.7 cents per litre in the week ending 22 February 2026²⁰ to a high of 253.7 cents per litre in the week ending 29 March 2026.²¹ This was a 55 per cent increase in little over a month. As of the week ending 10 May, the average price for the week was sitting at 180.4 cents per litre.²² The regional average was 190.4 cents per litre.

4.19. Metro average weekly diesel prices increased from 175.7 cents per litre in the week ending 22 February 2026 to a high of \$315.5 cents per litre in the week ending 12 April 2026.²³ This was a 79.6 per cent increase. As of the week ending 10 May, the average

¹⁹ Anglicare WA, *Rental Affordability Snapshot* (Report, 30 April 2026).

²⁰ Fuel Watch, [Fuel Prices Report for the week from 16 February 2026 to 22 February 2026](#).

²¹ Fuel Watch, [Fuel Prices Report for the week from 23 March 2026 to 29 March 2026](#).

²² Fuel Watch, [Fuel Prices Report for the week from 03 May to 10 May 2026](#).

²³ Fuel Watch, [Fuel Prices Report for the week from 06 April 2026 to 12 April 2026](#).

price for the week is sitting at 235.8 cents per litre. The regional average was 250.7 cents per litre.

- 4.20. On 30 March 2026, the Federal Government announced that from 1 April 2026 it would halve the fuel excise on petrol and diesel for three months. It also announced that the Australian Competition and Consumer Commission (ACCC) would continue to monitor petrol prices to ensure the fuel excise is passed on to consumers. The measure temporarily lowers the cost of fuel by 26.3 cents per litre and likely explains, at least in part, the drop in retail prices in April 2026.²⁴ The temporary reduction of the fuel excise ends on 30 June 2026.
- 4.21. While Australia is a net exporter of energy, including coal and gas, Australia still imports most of the petrol and diesel it uses for vehicles. Australia imports about 80 per cent of its refined fuel, up from 30 per cent in 2011. Most of the fuel used by Australia is refined in the Asia Pacific region, but the oil that is refined there comes from the Middle East, with domestically refined fuel only making up a small proportion of fuel usage. This makes Australia vulnerable to fluctuations in international benchmark prices.²⁵
- 4.22. UnionsWA notes that the US Energy Administration has stated that they anticipate disruptions will continue through late 2026, with upwards pressure on prices over that period. They state too that even once flows through the Strait of Hormuz resume, they assume 'it will take time to resolve the backlog and disruption to oil tanker routes and trade flows and that the potential for future disruptions will remain at risk and create a premium in the oil price.'²⁶
- 4.23. Continued elevated oil prices mean that petrol prices in Australia are likely to remain elevated in the short term, with the medium to longer term outlook dependent on the conflict in the Middle East. As such, elevated fuel prices may weigh on real wages for some time yet.
- 4.24. Westpac has noted that the March CPI figures are too early to see the effects of any passing through to other prices, though they observe some 'scattered signs'. They state that pass-through 'to other (non-fuel) prices is clearly starting, touching everything from building products to takeaway food if the reports we are receiving are any guide'.²⁷
- 4.25. The RBA has noted that the strong financial position of most Australian households should enable to smooth their spending in response to higher fuel prices. They observe that households 'with minimal savings buffers and those who need to spend a relatively high share of their income on fuel will, however, be more likely to need to reduce their

²⁴ Prime Minister of Australia, The Hon Anthony Albanese, '[Fuel excise halved for three months](#)' (Media Release, 30 March 2026).

²⁵ NAB, 'Fuel in Australia – where does it come from and where is it used?' (10 April 2026) [Economy Watch](#).

²⁶ U.S. Energy Information Administration, [Short Term Energy Outlook](#) (Report, April 2026).

²⁷ Luci Ellis, 'RBA May hike locked in', [Westpac IQ](#) (Web Page, 29 April 2026).

consumption of other goods and services.’²⁸ UnionsWA contends that as award and minimum wage workers are less likely to have significant savings buffers, they are more likely to be impacted.

4.26. The RBA notes too that fuel price increase also affect inflation indirectly and over a longer period of time. This is due to increasing input costs that may then be passed onto consumers.²⁹

Case Study: Joanna*

Joanna lives in metro Perth. She works full-time and her income is in the range of \$960 to \$1149 per week. To get by, she skips meals on a daily basis, has had to let the garden die due to not being able to water it, and doesn’t use air-conditioning or heating.

How are you or your household coping financially?

“Barely coping. After paying the majority of my income on rent (**rent has gone up an extra \$330 a week over two years, I was paying \$400 pw now paying \$730 pw**) I have enough left to buy some groceries and fuel to get to work. **I try to keep my power bills low by not using the aircon or heating and appliances because I can’t afford to pay the bills.** I have had to use the HUGS grant to cover my power bills. I’ve had to cancel my health insurance. I can’t afford contents insurance to secure my belongings. I pay rent, groceries, utilities, 1 car rego, 1 car insurance and fuel and anything my kids need. **We have no luxuries.** I’ve had to take superannuation out under hardship in order to make ends meet. I have to use community agencies to help cover bills and food or sometimes I buy a woolies gift card on Afterpay to buy groceries. I try to do some odd jobs through word of mouth to make a little extra money to get by. Mum gave me \$200 for my birthday. I used it to buy extra groceries. We are only just scraping by, but it won’t be long before we start getting into severe financial hardship.”

Wages, profits and inflation

4.27. Analysis by the Australia Institute has found a ‘complete absence of a correlation between minimum and award wage increases and future inflation’ and ‘that over the past 35 years there is no relationship to speak of between the rise in the minimum wage and the level of inflation over the following year.’³⁰

²⁸ RBA, May 2026 (n 7).

²⁹ Ibid.

³⁰ Greg Jericho, *Inflation remains unaffected by Minimum Wages*, Australia Institute (Briefing Paper, March 2026) 14.

Minimum Wage/Award wage increases and future inflation: 1995-2025



4.28. With the percentage of non-managerial employees paid in accordance with an award in Western Australia already lower than that nationally (22 per cent as compared to 24.7 per cent) and with only a proportion of that WA figure who would be paid in accordance with a state award, there is no reason to consider that increases to the state minimum wage and award wages would have a discernible impact on inflation.

4.29. Further, this analysis found that in terms of labour costs across the economy and not only in relation to award wages, that ‘the increased inflation in the latter half of 2025 came from increased profits, not wages or labour costs’ with the contributions of labour costs and wages to inflation falling in the past half of the year. As such, given ‘overall wages have not had a material impact on inflation growth, an even more substantial case can be made that the minimum wage and award wages will have an even more negligible impact.’³¹

4.30. In assessing the drivers of the uptick in inflation before the current conflict in the Middle East, Commonwealth Treasury Secretary Wilkinson argued that ‘the pick-up in underlying inflation reflects a combination of temporary and more persistent factors’, with ‘business and service providers rebuilding margins following a period in which they were unable to pass higher input costs onto households.’³² This accords to with the findings of the Australia Institute analysis, which states that in effect, ‘the increased inflation in the latter half of 2025 came from increased profits, not wages or labour costs.’³³

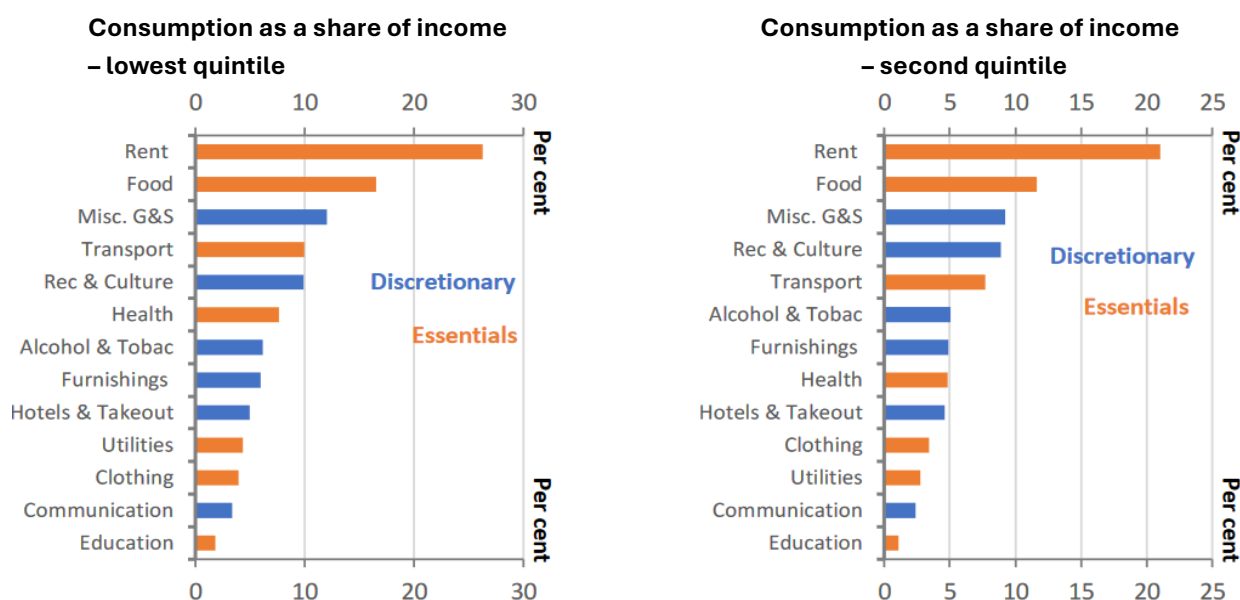
³¹ Ibid, 5.

³² Senate Economics Committee, ‘Treasury Portfolio: Treasury’, Australian Parliament, Canberra, 11 February 2026.

³³ Jericho (n 30).

Consumption as share of income

4.31. The particular relevance of escalating rental and transport costs in regard to meeting the needs of the low paid and the living standards of employees is apparent when considering the consumption patterns of the lowest two income quintiles.



Source: ABS *National Accounts: Distribution of Household Income, Consumption and Wealth* & ACTU calculations

4.32. The ABS National Accounts data demonstrates that for the lowest two income quintiles, rent consumes the greatest share of income. Transport consumes the fourth greatest share for the lowest quintile and fifth for the second lowest. As a result, the historically large rental increases being experienced by households in Perth has the effect of ‘crowding out’ expenditure on other consumption categories as there is less income remaining after covering those costs.

Low pay benchmark

4.33. In previous Annual Wage Reviews, the Fair Work Commission has identified the ‘low paid’ as those employees whose ordinary-time earnings are below two-thirds of median adult ordinary-time earnings of all full-time employees. To measure this benchmark, they referred to ABS Characteristics of Employment (COE) data and the Employee Earnings and Hours (EEH) data.³⁴ Weekly earnings from the COE are earnings for full-time employees in August 2025. Weekly earnings from the EEH are weekly total cash earnings for full-time non-managerial adult employees for May 2025. Using the Western Australian data for both the COE and EEH measures, full-time adult employees receiving a weekly pay rate up to and including the C5 classification rate are below the low paid threshold.

³⁴ [2025] FWCFB 3500 at [91].

Manufacturing, Maintenance and Metal Trades Award Rates as % of WA median weekly employee earnings

Award classification	Weekly Rate	COE	EEH
C14	\$953.00	50.16%	47.02%
C13	\$953.00	50.16%	47.02%
C12	\$981.90	51.68%	48.44%
C11	\$1,008.90	53.10%	49.77%
C10	\$1,055.10	55.53%	52.05%
C9	\$1,084.00	57.05%	53.48%
C8	\$1,112.40	58.55%	54.88%
C7	\$1,138.70	59.93%	56.18%
C6	\$1,195.90	62.94%	59.00%
C5	\$1,224.70	64.46%	60.42%

Source: WAIRC, ABS COE, ABS EEH, UnionsWA calculations

- 4.34. Even when utilising the national benchmarks, which are lower due to lower median earnings nationally, only the C5 level exceeds two-thirds of median earnings as measured by the Characteristics of Employment and the Employee Earnings and Hours surveys.³⁵
- 4.35. Meeting the needs of the low paid, let alone contributing to improved living standards for employees, necessitates that these workers are awarded pay increases that compensate for the rising costs of living and restore real wage growth for award wages.

Case Study: Abby*

Abby lives in metro Perth. She works part-time and her income is between \$1,150 to \$1,529 a week, which supports her entire household. Due to financial pressure, she has not been able to pay bills on time and has had to pawn belongings for cash. She reports that she eats ‘more like a student’ so that her child can eat better.

How are you or your household coping financially?

“We’re on the edge. **One big surprise bill will stuff everything up.** I feel I should be increasing my hours but I’m a single mum to a small child so I want to be there for him.”

How would better pay help you or your family?

“It would make all the difference. **I want to be able to provide a good life for my child,** not just survive week to week.”

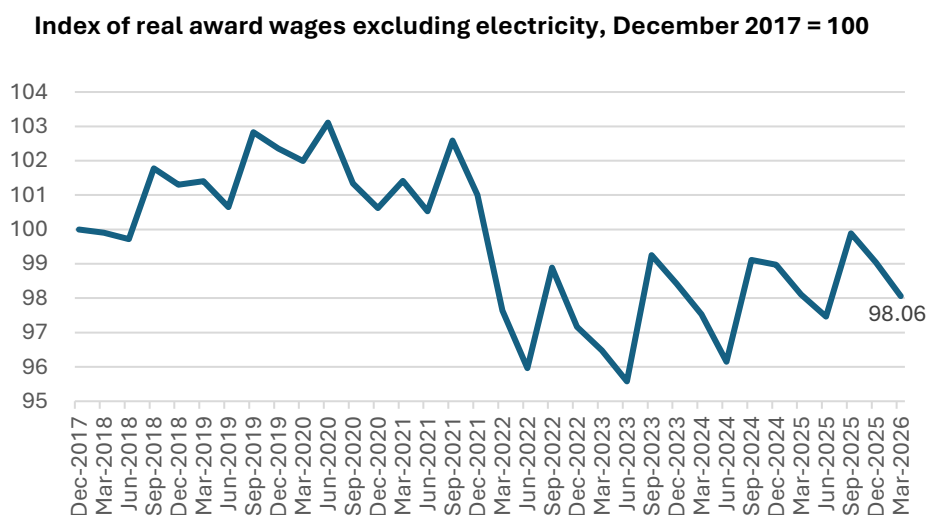
³⁵ Fair Work Commission, *Statistical Report – Annual Wage Review 2026* (Version 4, 30 April 2026).

Real wage levels

4.36. Though CPI is just one measure of the price pressures that are experienced by wage earners, the extent to which state award-reliant workers in Western Australia have been exposed to increases in living costs can be reflected through measures of real wages. We show this below deflating the decisions of the WAIRC by both quarterly headline Perth CPI and Perth CPI excluding the electricity sub-index to remove the volatility resulting from the successive Household Electricity Credits. The ‘sawtooth’ pattern is produced by the effect of ongoing inflation on the real value of award wages in periods between State Wage Orders.



Source: WAIRC, ABS CPI, UnionsWA calculations.



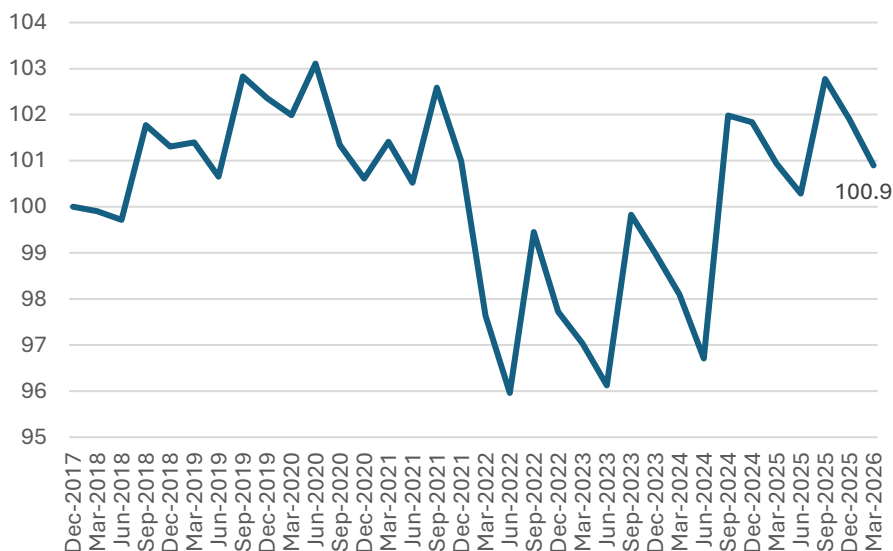
Source: WAIRC, ABS CPI, WA Budget, UnionsWA calculations.

4.37. On both measures, real award wages show a decline. Real award wages as measured using WAIRC decisions and Perth CPI shows a decline of 4.34 per cent from the peak in June 2020. An even greater decline of 4.9 per cent from June 2020 is observed when the electricity sub-index is excluded.

4.38. The realignment of the state minimum wage to from the C14 level to the C13 level in 2024 means that it has a different path to award wages. Measuring the real value of the state minimum wage using Perth CPI, with no exclusions, indicates that the stronger than expected inflation in the September quarter weighed down real wage growth. When the electricity sub-index is excluded from Perth CPI, a real wage decline has occurred from the June 2020 high point of 2.1 per cent.



Source: WAIRC, ABS CPI, UnionsWA calculations.



Index of real state minimum wage excluding electricity, December 2017 = 100

Source: WAIRC, ABS CPI, WA Budget, UnionsWA calculations.

4.39. UnionsWA submits that the current burst of inflation reinforces the need for a solid increase in award and minimum wages to protect the living standards of Australia's lowest paid workers. As noted at 4.29 and 4.30, the evidence indicates that it has been

profit margins and not wages driving near-term inflation. Australia’s lowest paid workers should not bear further costs for the choices of other economic actors or the economic fallout of the military decisions of international governments. A real wage increase for award and minimum waged workers is needed to prevent real income losses becoming entrenched and low-waged workers being further disadvantaged.

Case Study: Michael*

Michael lives in outer metro Perth. He works full-time, with his wage rate between \$30-\$40 an hour. Due to money pressures, he skips meals at least once a week, has missed paying bills on time and has had to pawn or sell belongings to get cash.

How are you or your household coping financially?

“Using food bank. Don't go anywhere that costs money. Stopped going out for drinks and meals. Drink less beer and buy cheap brands on special. Stopped going away on holidays. Think more about spending. No private health insurance. Accessed super to pay bills.”

5. C13 and C12

- 5.1. UnionsWA notes that an issue for consideration in this year’s Annual Wage Review by the Fair Work Commission’s Expert Panel is the proposition to phase out the C13 rate so that the C12 rate becomes the lowest pay rate applicable to ongoing employment in the modern award system. The Panel stated in the Annual Wage Review Decision 2025,

There is, we consider, some justification for phasing out the C13 rate over time such that the C12 rate becomes the lowest pay rate applicable to ongoing employment in the modern award system.³⁶

- 5.2. If the Expert Panel does decide to phase out the C13 rate, UnionsWA submits that it will be necessary for such an approach to be adopted for the state minimum and award rates.

- 5.3. UnionsWA notes the statements by the Commission in Court Session in its Reasons for Decision as part of the 2024 State Wage Case,

Given the lengthy history of the relationship between the SMW and the NMW, to not realign the basis for setting the SMW in this jurisdiction, will disadvantage low paid employees in this State relative to those in the national system, and would not contribute to improving the living standards for employees. Nor would it meet the need to provide fair wage standards, in the context of living conditions prevailing generally in the community, in circumstances where a majority of employees in the private sector in this State would not be paid below

³⁶ *Annual Wage Review 2025* [2025] FWCFB 3500, 149.

the NMW, based on the C13 classification rate. Such a realignment would also assist in meeting the needs of the low paid.³⁷

- 5.4. UnionsWA submits that this reasoning also holds in a scenario where a majority of employees in the private sector in this State would not be paid below the NMW, based on the C12 classification rate.
- 5.5. The state minimum wage and state award wages can be considered a critical safety net for workers within the WA industrial relations system. To have a state safety net that kicks in at a lower level than the national places a particular group of Western Australian workers at a unique financial disadvantage. Further, it fundamentally alters what is a fair wage in the national employment system, which is the prevailing system for setting wages within the community.
- 5.6. As such, should the C13 rate be phased out in the national system and not in the Western Australian system, it would create a disparity between the Western Australian and national system of wages and conditions, and erodes the perceived fairness of the Western Australian system.
- 5.7. The table below sets out the relevant rate movements for the awards that the Department of Local Government, Industry Regulation and Safety have previously identified as the top ten most frequently accessed WA award summaries.³⁸

Wage rise to C12 for 10 most frequently accessed award summaries

Award	Adult classification below C12	Weekly Wage Rate	Comparison to C12 (\$981.90)
Hair and Beauty Industry (WA) Award	No classification		
Restaurant, Tearoom and Catering Workers' Award	Level 1	\$953.00	-3.03%
Building Trades and Labourers (Construction) Award	No classification		
Social and Community Services (Western Australian) Interim Award	Level 1.1	\$973.60	-0.85%
Shop and Warehouse (Wholesale and Retail Establishments) Award	No classification		
Clerks (Commercial, Social and Professional Services) Award	Grade 1 - 1st year	\$974.50	-0.76%
Local Government Officers' (Western Australia) Award	Level 1 - Adult	\$981.20	-0.07%
Farm Employees' Award	Adult	\$953.00	-3.03%
Manufacturing, Maintenance and Metal Trades Award	C14/C13	\$953.00	-3.03%
Electrical Contracting Industry Award	No classification		

³⁷ 2024 State Wage Case [2024] WAIRC 00293, 118.

³⁸ Submission of the Minister for Industrial Relations, 2025 State Wage Case (15 May 2025).

- 5.8. Recognising that the top ten most frequently accessed WA award summaries is not a measure of the number of employees employed under each award, UnionsWA notes that for four of these awards there would be no impact.
- 5.9. UnionsWA notes too that as the C12 rate in the WA Manufacturing, Maintenance and Metal Trades Award is 50 cents a week lower than that in the Fair Work Manufacturing Award, the difference between the state C13 and C12 rates is smaller than that in the Fair Work system. The percentage difference between the C13 and C12 modern award rates per the Fair Work Manufacturing Award is 3.63 per cent. For the WA award, the percentage difference is 3.03 per cent. We submit that in the event of a realignment of the minimum adult rate to the C12 level, a sufficient increase to state minimum and award rates would be necessary to ensure that the state C12 was not lower than the national C12 level.
- 5.10. UnionsWA submits, therefore, that should the Expert Panel decide to phase out the C13 rate, that this approach should also be adopted for the state system.

Case Study: Piper*

Piper lives in metro Perth. She works casually and her income is in the range of \$770 to \$959 per week. She has resorted to only having cold showers for the past 12 months to save on electricity and water.

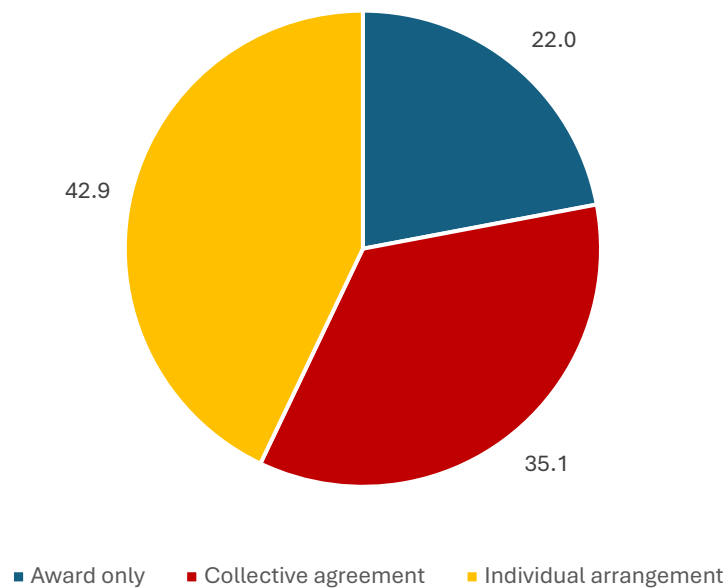
How would better pay help you or your family?

“I would be able to eat proper meals including steak which I have missed. I would be able to pay my bills & save money again like I used to. **I would be able to relax, smile and enjoy life.**”

6. Protecting employees unable to reach an industrial agreement

- 6.1. UnionsWA contends that an increase in the state minimum wage in WA is critical to assist those workers who are less likely or unable to negotiate liveable increases for themselves. An increase is also of significant importance for lower income households where income is principally derived from wages. In addition, an increase will benefit households with a mixture of lower and higher income earners by providing more independence for the lower income earners and taking financial pressure off the higher earners.
- 6.2. Examination of the most recent ABS *Employee Earnings and Hours* data reveals that award-only workers comprised 22 per cent of non-managerial employees by method of setting pay in Western Australia as of May 2025.

Share of WA employees (%) by method of setting pay



Source: ABS, *Employee Earnings and Hours, Australia*

6.3. That dataset also shows that of non-managerial employees in Western Australia, those who were only paid under an award were earning on average 70.5 per cent of all methods of setting pay and 63.4 per cent of those employed under a collective agreement.

Average hourly total cash earnings of non-managerial employees by method of setting pay – Western Australia³⁹



Source: ABS, *Employee Earnings and Hours, Australia*

³⁹ Australian Bureau of Statistics, *Employee Earnings and Hours, Australia* (May 2026).

- 6.4. In its submission to the Annual Wage Review, the WA government notes that ‘there is a particularly high level of award reliance in three of Australia’s largest employing industries - Health Care and Social Assistance; Retail Trade; and Accommodation and Food Services.’⁴⁰
- 6.5. Regular and substantive increases to the state minimum wage and award rates are essential for those who cannot to negotiate wage increases and protects those unable to negotiate an industrial agreement.

Case study: Emily*

Emily lives in regional WA. She works part-time and her income is in the range of \$960 to \$1149 per week. Her housing costs are \$780 a week. She has missed payments for her housing costs and has had to pawn or sell belongings for cash.

How would better pay help you or your family?

“Would be able to enroll our kids into swimming lessons and be in less debt”

7. Encouraging ongoing skills development

- 7.1. The latest ‘in-training’ data for WA from the National Centre for Vocational Education Research (NCVER) reveals an 8.8 per cent decrease in the 12 months leading up to September 2025 of the number of apprentices and trainees in training, along with a noticeable decrease in the number of commencements. The decline of apprentices and trainees commencing and being in-training continues from September 2022.⁴¹

⁴⁰ Government of Western Australia, Submission to the Fair Work Commission, *2024-25 Annual Wage Review* (2 May 2025).

⁴¹ National Centre for Vocational Education and Research, *Apprentices and trainees 2024: September Quarter* (Statistical Report, 25 March 2025).

In-training highlights for Western Australia - 12 month series

as at 30 September 2025



37 280 in-training (down 8.8% from 30 September 2024)



2.3% of workers were employed as an apprentice or trainee



9.7% of employed workers within the trade occupations were an apprentice or trainee



27 005 trades (down 4.9% from 30 September 2024)



10 260 non-trades (down 17.6% from 30 September 2024)

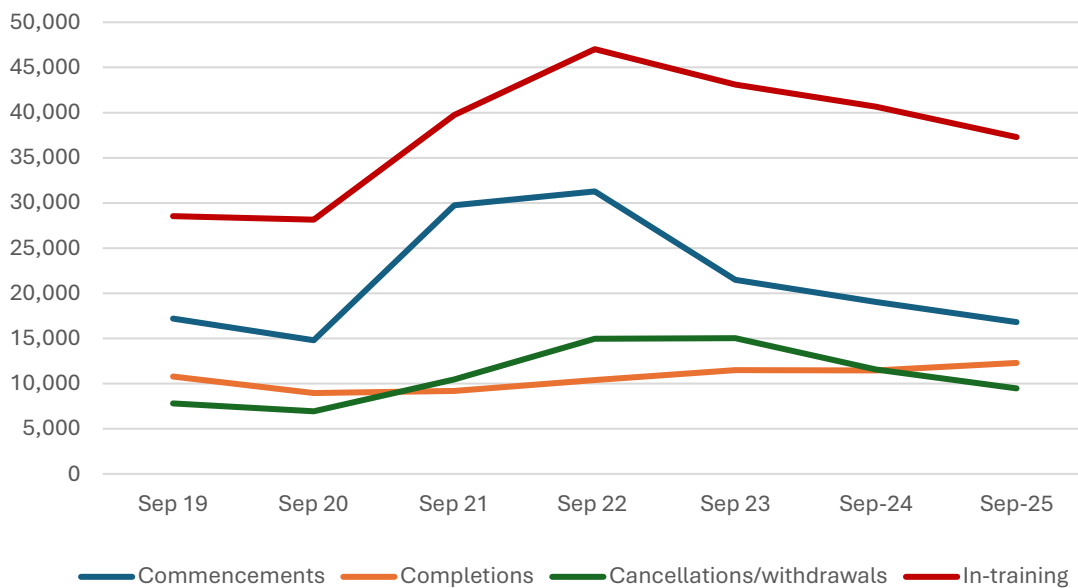


27 625 males (down 7.3% from 30 September 2024)



9 635 females (down 12.8% from 30 September 2024)

WA apprentices and trainees – September quarter 12-month series

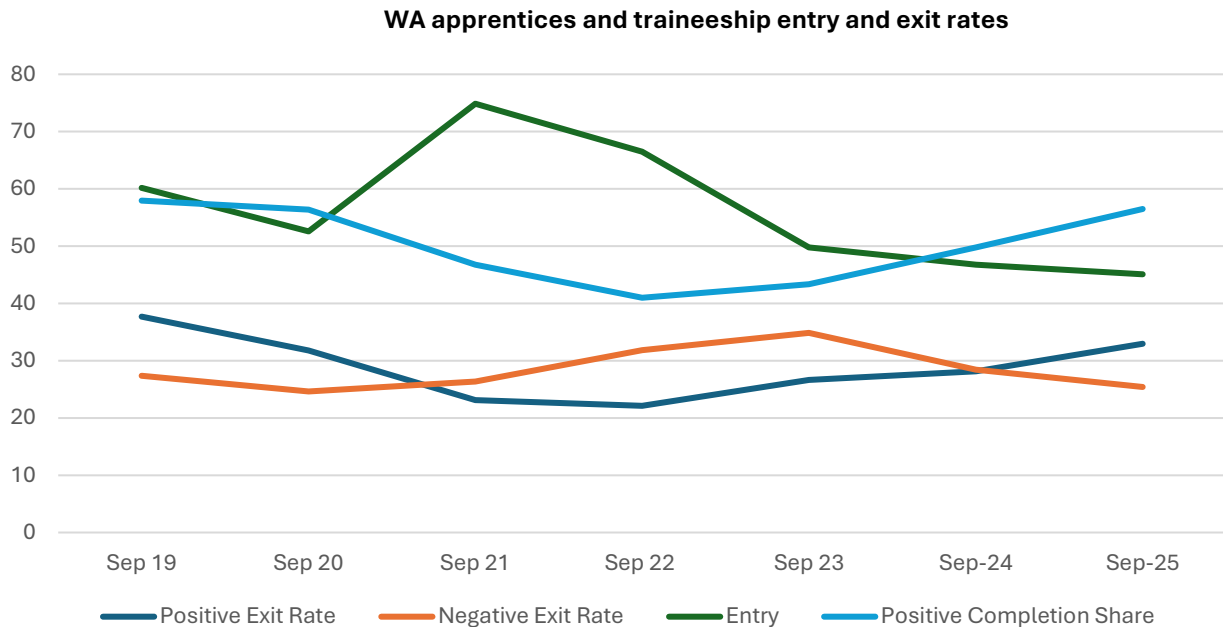


Source: National Centre for Vocational Education and Research

7.2. To examine the apprentice and traineeship entry and exit data in relative terms, we can use the following concepts:

- a) *positive exit rate*: the number of completions as a share of the number of persons in training, expressed as a percentage;
- b) *negative exit rate*: the number of cancellations or withdrawals as a share of the number of persons in training, expressed as a percentage;

- c) *entry rate*: the number of persons commencing training as a share of the persons in training, expressed as a percentage; and
- d) *positive completion share*: the number of persons who complete the training, as a share of the total of those who both complete or cancel/withdraw.



Source: NCVER, UnionsWA calculations.

- 7.3. The positive completion rate sits at 56 per cent, indicating just over half of apprenticeships and traineeships are completed rather than ending in cancellations or withdrawals, following a welcome lift over the past three years. What is of particular concern is the clear low point in the entry rate on these figures.
- 7.4. UnionsWA contends that low rates of pay present both a significant barrier in front of those who would otherwise be interested in undertaking an apprenticeship or traineeships, as well as for the completion of that training. In turn, this creates barriers in addressing skills shortages and ensuring a sustainable pipeline of skilled workers.
- 7.5. Modelling indicates that the Western Australian construction workforce, for example, will need to grow by 50,000 workers by the end of the decade to keep pace with housing targets, and by 130,000 workers by 2035. Further modelling by the state government and the Defence Department indicates that around 10,500 workers will be needed over the next two decades as part of the transformation of the Henderson shipyard and the associated work following it.⁴²
- 7.6. As such, UnionsWA submits that real wage increases in minimum and award wage rates are an essential component in encouraging skills development through engagement in

⁴² Jesinta Burton, [‘The three-way battle for workers in WA’](#), *Financial Review* (Article, 2 March 2026).

apprenticeships and training programs.

8. Providing equal remuneration

- 8.1. Nationally, women comprise 60.6 per cent of modern award-reliant employees and men comprise 39.4 per cent. Women make up a great proportion of award-reliant workers across all age groups.⁴³

Women and men modern award-reliant employees, by age group

Age (years)	Share of age group			Share of gender		Share of age group and gender	
	Women	Men	Total	Women	Men	Women	Men
	(%)	(%)	(%)	(%)	(%)	(%)	(%)
14–20	58.4	41.6	100	18.4	20.2	57.9	49.9
21–24	58.9	41.1	100	15.1	16.3	42.9	35.0
25–34	56.4	43.6	100	24.4	29.0	25.2	19.6
35–44	65.2	34.8	100	15.5	12.7	17.0	9.8
45–54	69.4	30.6	100	12.6	8.5	16.1	8.0
55–64	66.0	34.0	100	10.8	8.6	18.9	10.9
65+	51.0	49.0	100	3.2	4.7	18.4	17.6
Total	60.6	39.4	100	100	100	24.5	17.4

Note: Share of age group presents the proportion of all modern award-reliant employees in each age group. Share of gender presents the proportion of all modern award-reliant employees in that gender. Share of age group and gender presents the proportion of employees in that age group and gender that are modern award-reliant.

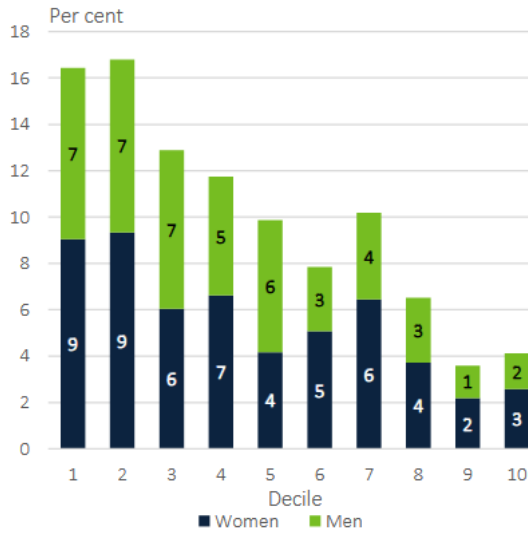
Source: ABS (2026), *Microdata: Employee Earnings and Hours, Australia* [DataLab], May 2025.

- 8.2. Analysis published as part of last year's Annual Wage Review found that the majority of both women and men award-reliant employees are in the bottom half of the household income distribution. A higher proportion of women, however, are considered low-paid award-reliant employees relative to all award-reliant employees.⁴⁴

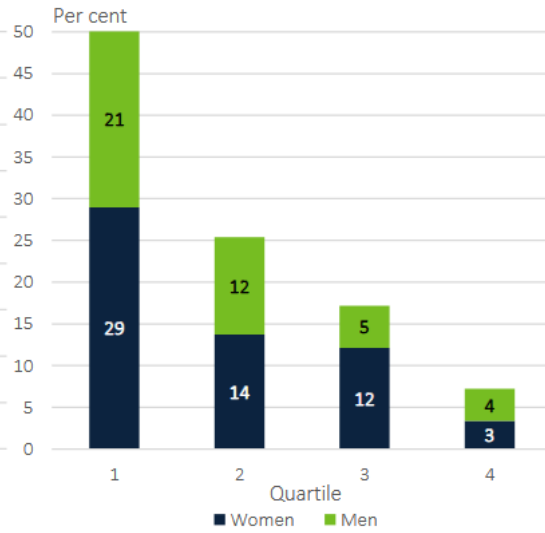
⁴³ Fair Work Commission, *Statistical Report – Annual Wage Review 2026* (Version 4, 30 April 2026).

⁴⁴ Jamie van Netten and Josh Lipp, *Award-reliant employees in the household income distribution of employees: an update* (Fair Work Commission Research Report, February 2025).

Award-reliant employees

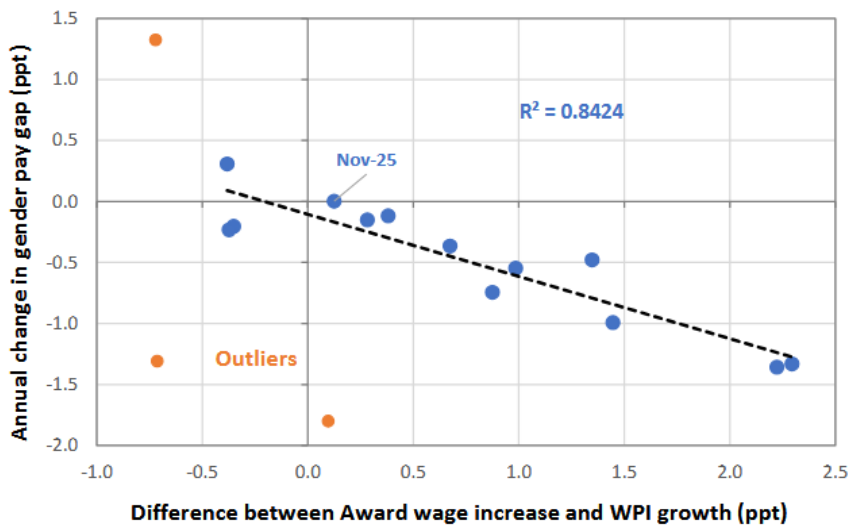


Low-paid award-reliant employees



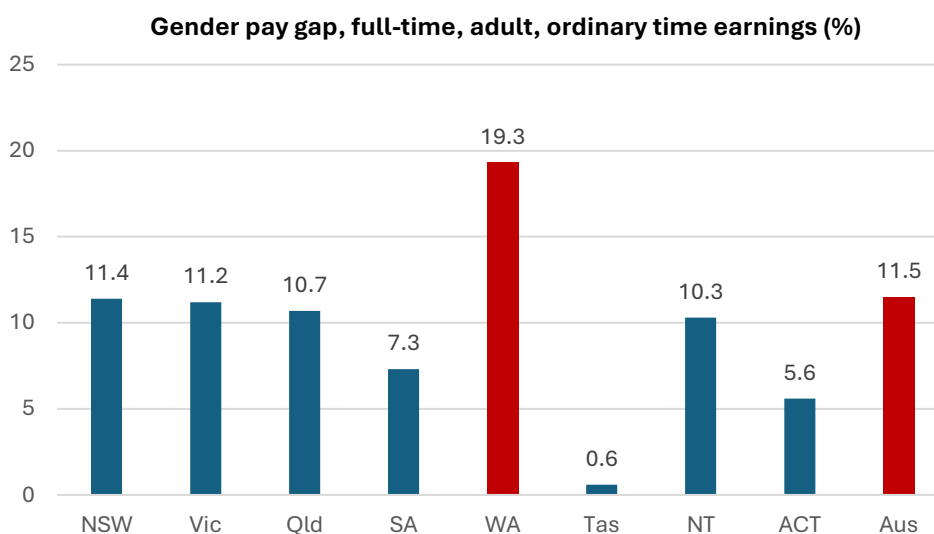
8.3. ACTU analysis has identified a strong relationship between above average increases in award wages and the closure of the gender pay gap. The following graph shows the correlation between the difference in award wage increases and the year average growth in the Wage Price Index (WPI) against the annual percentage point decline in the total average earnings gender pay gap for the November release. With the outliers removed, the data suggests that a larger gap between award wage increases and economy wide average wages is strongly correlated with a larger decrease in the gender pay gap. The coefficient suggests that 1 percentage point difference between Award wages and year-average growth in the WPI lowers the total average earnings gender pay gap by 0.51 percentage points.⁴⁵

Correlation between difference in award and average wages and gender pay gap closure



⁴⁵ ACTU, Initial Submission, *Annual Wage Review 2026* (27 March 2026), 105.

8.4. This is of particular relevance in Western Australia, where the gender pay gap continues to be substantially higher than every other state and territory. ABS data reveals that as of November 2025, the gender pay gap in WA sits at 19.3 per cent.⁴⁶



Source: ABS *Average Weekly Earnings*

8.5. The Workplace Gender Equality Agency’s (WGEA) employer census data also finds that the gender pay gap in Western Australia continues to be substantially higher than every other state and territory, sitting at 28.8 per cent as of November 2025.⁴⁷

8.6. WGEA released the results of its employer gender pay gap reporting in March 2026, with 10,500 employer gender pay gaps being published. The report found that as the balance of women and men across remuneration quartiles is uneven, differences in wage growth between these quartiles will change the gender pay gap. While nationally, the average remuneration for all employees grew by 3.6 per cent year-on-year, the growth was larger in the lower and lower-middle quartiles, in which women are over-represented, than in the upper quartiles in which men are over-represented. The result of this was a reduction in the overall gender pay gap.⁴⁸

8.7. Analysis by KPMG has also found that women are over-represented in lower-paid roles and part-time employment. Women in WA are over-represented in historically undervalued and women-dominated sectors, such as health care and education, comprising over 73 per cent and 66 per cent of the full-time workforce in each sector respectively. This research also found that ‘Lower wages in women-dominated industries reduces incentives for men to engage in such roles and inadvertently restricts women from higher earnings.’⁴⁹

⁴⁶ Australian Bureau of Statistics, *Average Weekly Earnings, Australia* (February 2026).

⁴⁷ Workplace Gender Equality Agency, *WGEA Equality Scorecard 2024-25* (Report, November 2025).

⁴⁸ Workplace Gender Equality Agency, *Employer gender pay gaps report 2024-25* (Report, March 2026).

⁴⁹ KPMG, *She’s Price(d)less*, 5th edition, Diversity Council Australia and the Workplace Gender Equality Agency (Report, January 2026).

- 8.8. According to the International Labour Organization, minimum wages can ‘compress wage distributions from the bottom up, helping to reduce overall wage inequality and contributing to narrowing the gender pay gap.’ The ILO identifies that this effect is particularly relevant for gender equality, as women are overrepresented in low-wage jobs.⁵⁰
- 8.9. UnionsWA submits that a substantial real wage increase to the state minimum wage and award wages is necessary to improve wage outcomes for low paid women and as an important contribution to narrowing the aggregate gender pay gap.

9. Who is likely to be impacted by the state wage case?

- 9.1. To determine which workers are in the state industrial relations system, UnionsWA is utilising the analysis contained in the Interim Report - Ministerial Review of the State Industrial Relations System. The Interim Report describes the numbers of employees who are covered by the State system as potentially between 21.7 per cent and 36.2 per cent of the employees in the State.⁵¹
- 9.2. The WA Government stated in its submission to the 2025 Annual Wage Review, that ‘The Department of Energy, Mines, Industry Regulation and Safety estimates that approximately 15 to 20 per cent of private sector employees in Western Australia are employed in the State industrial relations system’, though it notes the difficulties of obtaining accurate data on this.⁵²
- 9.3. In their submission to last year’s State Wage Case, the Minister for Industrial Relations identified that the top 10 most frequently accessed Wageline summaries by percentage of website hits were:
- Hair and Beauty Industry -11.1%
 - Restaurant, Tearoom and Catering Workers – 9.3%
 - Building Trades and Labourers (Construction) - 7.4%
 - Social and Community Services – 7.1%
 - Shop and Warehouse (Wholesale and Retail Establishments) – 6.8%
 - Clerks (Commercial, Social and Professional Services) – 5.3%
 - Local Government Officers – 5.2%
 - Farm Employees – 4.6%
 - Metal Trades (General) – 3.9%
 - Electrical Contracting Industry – 3%

⁵⁰ International Labour Organization, *Towards Pay Equity: A Comprehensive Response to the Gender Pay Gap* (Report, 4 March 2026) 43.

⁵¹ WA Government, *Ministerial Review of the State Industrial Relations System* (Interim Report, 20 April 2018).

⁵² Government of Western Australia, *Submission to the Fair Work Commission, 2024-25 Annual Wage Review* (2 May 2025).

9.4. In addition, it was noted that the information produced by Wageline for award free employees is also viewed quite extensively.⁵³

10. The need to ensure that the Western Australian award framework represents a system of fair wages and conditions of employment

10.1. UnionsWA is advocating that the Commission increase award wages and the statutory minimum wage by a percentage value (**6.5 per cent**). Such an increase would ensure relativities of the award classifications are maintained, consistent with the need to ensure that the Western Australian award framework represents a system of fair wages and conditions of employment.

10.2. The decisions of the WA Commission in recent years have all included percentage increases. A decision favouring the UnionsWA claim would preserve these results and ensures that the order would avoid any direct distortion of relativities across classification structures. This is critical for maintaining the relevance of the award framework at higher classification level

11. Conclusion

11.1. UnionsWA submits that the Commission should provide a meaningful real wage increase for award-reliant workers. This is essential to help address the real wage losses that these workers have experienced and provide a significant boost towards low paid workers being able to meet their needs. Therefore, UnionsWA's claim is for an increase of **\$61.95 per week** at the C14/C13 level and commensurate increases of **6.5 per cent** for subsequent classifications.

11.2. The following is a summary of our positions under the statutory considerations in section 50A (3) of the *Industrial Relations Act*.

(3) In making an order under this section, the Commission shall take into consideration —

(a) the need to —

(i) ensure that Western Australians have a system of fair wages and conditions of employment; and

The increase to minimum and award wage should apply from the end of June 2026 onwards for all workers, with no delays for selected industries. The full increase within the Act should be applied to apprentices and juniors.

(ii) meet the needs of the low paid; and

UnionsWA maintains that meeting the needs of the low paid requires a meaningful real wage increase that ensures that minimum rates are set at a level that not only repairs the real value of

⁵³ Minister for Industrial Relations (n 38).

those wages but that also maintains real purchasing power on an ongoing basis, having regard to forecast inflation over the forthcoming year.

Elevated levels of inflation are eroding the purchasing power of their wages. The increase in CPI inflation for unavoidable necessities, such as housing, should also be noted when considering the cost of living and the needs of the low paid in WA, as such increases have a significant impact for low wage workers.

(iii) provide fair wage standards in the context of living standards generally prevailing in the community; and

Binding, institutional increases to wages, such as those brought by the minimum wage, are needed to ensure workers, particularly low wage and award reliant ones, are benefiting from the continued strong performance of the Western Australian economy.

Given that the majority of workers in Western Australia are national system employees, in the event that that the Fair Work Commission decides to realign the minimum adult rate of pay in the national system to the C12 level, UnionsWA submits that having the state minimum wage set at a lower level than that nationally would result in state system workers falling behind the living standards generally prevailing in the community.

(iv) contribute to improved living standards for employees; and

Workers are being paid less than the full value of their output given the ongoing strength of the WA economy. Historically large rental increases being experienced by households in Perth has the effect of 'crowding out' expenditure on other consumption categories as there is less income remaining after covering those costs. In order to improve their living standards, it is necessary that these workers are awarded pay increases that compensate for the rising costs of living and restore real wage growth for award wages.

(v) protect employees who may be unable to reach an industrial agreement; and

An increase in the state minimum wage in WA is critical to assist those workers who are less likely or unable to negotiate liveable increases for themselves. An increase is also of great importance for lower income households where income is principally derived from wages.

(vi) encourage ongoing skills development; and

For apprentices there is an opportunity cost involved in the time spent as an apprentice. Unless regular and generous increases in apprenticeship wages flow on from decisions such as those from the minimum wage, apprenticeships become increasingly unattractive. Apprentice and trainee wages should be lifted to attract new entrants and retain existing participants.

(vii) provide equal remuneration;

Analysis published as part of last year's Annual Wage Review found that women are significantly more likely to be paid at the award rate than men are at all levels of the award

structure and workers paid at the award rate are much more likely to be low-paid than are other workers. Research conducted by WGEA has determined that larger wage increases in the lower two earnings quintiles, where women workers are overrepresented, reduces the gender pay gap. A substantial real wage increase to the state minimum wage and award wages is necessary to improve wage outcomes for low paid women and as an important contribution to narrowing the aggregate gender pay gap.

and

- (b) the state of the economy of Western Australia and the likely effect of its decision on that economy and, in particular, on the level of employment, inflation and productivity in Western Australia;*
- (c) to the extent that it is relevant, the state of the national economy;*
- (d) to the extent that it is relevant, the capacity of employers as a whole to bear the costs of increased wages, salaries, allowances and other remuneration;*

Despite the impacts of the global oil shock, growth forecasts for the WA and national economy remain positive, making both economies well placed to increase minimum and award wages in such a way that maintains and materially improves the living standards of low waged workers. Low wage growth in WA, and Australia, derives from the power of employers to refuse to increase wages.

- (e) for the purposes of subsection (1)(b) and (c), the need to ensure that the Western Australian award framework represents a system of fair wages and conditions of employment;*

An increase of **6.5 per cent** as a percentage increase, balances the range of factors that the Commission must consider. Such an increase would ensure relativities of the award classifications are maintained, consistent with the need to ensure that the Western Australian award framework represents a system of fair wages and conditions of employment.

- (f) relevant decisions of other industrial courts and tribunals; and*
- (g) any other matters the Commission considers relevant.*

UnionsWA contends that the Western Australian economy is performing strongly and as such is well placed to make increases to state minimum and award wages that will compensate for the rising costs of living and materially improve people's circumstances.