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QUEENSLAND INDUSTRIAL RELATIONS COMMISSION

QUEENSLAND

Industrial Relations Act 2016 - s 458

Together Queensland, Industrial Union of Employees *Applicant – B/2025/49* Queensland Council of Unions *Applicant – B/2025/50*

V

State of Queensland Respondent

APPLICATION FOR A DECLARATION OF GENERAL RULING 2025 STATE WAGE CASE

SUBMISSIONS OF THE QUEENSLAND COUNCIL OF UNIONS

Introduction

- The Queensland Council of Unions is Queensland's peak union body representing 25 affiliated unions and 400,000 union members and a 'State peak council' as defined in Schedule 5 of the *Industrial Relations Act 2016* (Qld).
- On 4 June 2025, the QCU filed an application in the Industrial Registry seeking a general ruling, pursuant to s 458(1) and (2) of the IR Act, about an increase to modern award minimum wages and the Queensland minimum wage.
- 3. These submissions are made in support of that application.

The QCU position

4. On 3 June 2025, an Expert Panel of the Fair Work Commission handed down its *Annual Wage Review Decision 2025* granting a 3.5% increase to federal modern award minimum wages and increasing the National Minimum Wage to \$948.00 per week.¹

¹ [2025] FWCFB 3500 ('AWR').

- The QCU consider it to be fair and just for the Queensland Industrial Relations Commission to deliver a comparable outcome for Queensland workers who are not national system employees.
- 6. Therefore, the QCU application accordingly seeks that the Full Bench declare by way of general ruling that:
 - (a) the wages or salaries for full-time adult employees in all state awards shall be increased by 3.5%; and
 - (b) monetary allowances (other than expense related allowances) in all state awards that relate to work or to conditions which have not changed, and service increments, shall be increased by 3.5%; and
 - (c) the Queensland minimum wage shall be increased to \$948.00 per week; and
 - (d) the above increases shall operate on and from 1 September 2025.

The legislative framework

- 7. The legislative framework in which the Full Bench must determine the State Wage Case is set out in ss 3, 4, 141–143, and 458–460 of the IR Act.
- 8. Relevantly, it is a main purpose of the IR Act to provide for a framework for cooperative industrial relations that is fair and balanced,² which is to be achieved by, *inter alia*:
 - (a) providing for a fair and equitable framework of employment standards, awards, determinations, orders and agreements;³ and
 - (b) providing for a guaranteed safety net of fair, relevant and enforceable minimum employment conditions through the Queensland Employment Standards;⁴ and
 - (c) ensuring wages and employment conditions provide fair standards in relation to living standards prevailing in the community.⁵

² Industrial Relations Act 2016 s 3(a).

³ Ibid s 4(d).

⁴ Ibid s 4(f).

⁵ Ibid s 4(g).

- 9. Further, in exercising its powers in relation to minimum wages in modern awards, the Commission must establish and maintain minimum wages that are fair and just,⁶ and must have regard to the following:
 - (a) the prevailing employment conditions of employees covered by the modern award;⁷ and
 - (b) relative living standards and the needs of low-paid employees;⁸ and
 - (c) the need to promote social inclusion through increased workforce participation;⁹ and
 - (d) the need to promote flexible modern work practices and the efficient and productive performance of work;¹⁰ and
 - (e) the need to ensure equal remuneration for work of equal or comparable value;¹¹ and
 - (f) the efficiency and effectiveness of the economy, including productivity, inflation and the desirability of achieving a high level of employment;¹² and
 - (g) providing a comprehensive range of fair minimum wages to young employees, employees engaged as apprentices and trainees, and employees with a disability.¹³
- 10. The Commission must also ensure that modern awards provide fair standards for employees in the context of living standards generally prevailing in the community.¹⁴
- 11. Sections 458–460 of the IR Act provide the Full Bench with various powers in relation to making the general ruling sought by the QCU. Specifically, the IR Act confers the power to make:
 - (a) a general ruling amending all state awards by a wage adjustment of 3.5% under ss 458(1)(a) and 460; and
 - (b) a general ruling increasing the Queensland minimum wage to \$948.00 per week under s 458(1)(b).

⁶ Ibid s 142(1).

⁷ Ibid s 142(2)(a).

⁸ Ibid ss 142(2)(b), 141(2)(a).

⁹ Ibid ss 142(2)(b), 141(2)(b).

¹⁰ Ibid ss 142(2)(b), 141(2)(c).

¹¹ Ibid ss 142(2)(b), 141(2)(d).

¹² Ibid ss 142(2)(b), 141(2)(f).

¹³ Ibid s 142(2)(c).

¹⁴ Ibid s 143(1)(i).

The evidence required by the Full Bench

- 12. In Declaration of General Ruling (State Wage Case 2024) ('2024 SWC'),¹⁵ the Full Bench observed (citing Declaration of General Ruling (State Wage Case 2023) (No 3))¹⁶ that the following two bodies of evidence will be required in considering the SWC:
 - (a) evidence that will permit the Full Bench to undertake an evaluative function having regard to the matters in ss 141 and 142 of the IR Act and assess the qualities of the safety net by reference to the statutory criteria, to ensure the Commission establishes and maintains wages that are fair and just;¹⁷ and
 - (b) evidence identifying relevant differences between the national workforce and Queensland workers who are not national system employees, including economic and social conditions which may be particular to Queensland and relevant to the Full Bench's determination of the SWC.¹⁸
- 13. The QCU submits that while it is necessary for the parties to provide the body of evidence referred to in paragraph 12(a) above each year to assist the Full Bench in undertaking its evaluative function, the evidence referred to in paragraph 12(b) above need only be provided by a party if, in its submission, it is relevant to the Full Bench's determination of the SWC for a given year (i.e., the party submits that it is a factor that weighs in favour of the increase sought by an Applicant or ought to moderate the Full Bench's decision).
- 14. For example, in circumstances where the Applicants seek an increase to modern award minimum wages that is comparable to that of the AWR (as we do this year) and the economic data indicates that the economic analysis conducted by the FWC of the national economy is substantially the same as that of the Queensland economy (as it did in 2023 and 2024),¹⁹ the onus to file evidence identifying any relevant differences ought to rest with any party seeking to rely on the identified differences as a cogent reason to depart from the AWR.

¹⁵ Declaration of General Ruling (State Wage Case 2024) [2024] QIRC 244 ('2024 SWC').

¹⁶ Declaration of General Ruling (State Wage Case 2023) (No 3) [2024] QIRC 111 ('2023 SWC').

¹⁷ 2024 SWC (n 15), [30].

¹⁸ Ibid [31].

¹⁹ 2023 SWC (n 16), [63]; 2024 SWC (n 15), [82].

- 15. Similarly, in a year where an Applicant party seeks to rely on the identified differences as a factor that weighs in favour of the increase they seek, the onus to file evidence identifying the relevant differences ought to rest with that Applicant.
- 16. In respect of the body of evidence referred to in paragraph 12(a) above, in support of our application, the QCU relies on the statement of agreed facts, and accompanying bundle of documents, jointly filed in the Industrial Registry by the parties on 10 July 2025.
- 17. In respect of the body of evidence referred to in paragraph 12(b) above, the QCU submits that:
 - (a) demographically similar groups to those the subject of the SWC also exist within the national jurisdiction;²⁰ and
 - (b) examples of those demographically similar groups may include, *inter alia*:
 - (i) State Public Servants covered by the national system (such as in Victoria);
 or
 - (ii) Federal Public Servants employed in Queensland; and
 - (c) the appropriate assessment of any relevant differences should be in respect of those demographically similar groups; and
 - (d) we have not identified any differences between those demographically similar groups that are relevant to the Full Bench's determination of the SWC this year.

Economic considerations

- Information relevant to the Full Bench's assessment of the prevailing economic conditions in the national economy and the state economy is provided in the tables set out in paragraph 35 of the statement of agreed facts.
- 19. The QCU also provides the following supplementary table which identifies the 3-year average for state and federal budget forecasts of relevant economic indicators (these are referred to in the submissions below):

²⁰ 2023 SWC (n 16), [25].

	June 2025	June 2026	June 2027	3-year average*
Gross state product	2.5	2.75	2.5	2.6
State final demand	2.5	3.25	3.5	3.1
Gross domestic product	1.5	2.25	2.5	2.1
CPI – federal budget	2.5	3	2.5	2.7
CPI – state budget	2	3.25	2.5	2.6
Employment growth - federal budget	2.75	1	1.25	1.7
Employment growth - state budget	3	1.5	1.5	2
Unemployment rate – federal budget	4.25	4.25	4.25	4.25
Unemployment rate – state budget	4	4.25	4.5	4.25
WPI – federal budget	3	3.25	3.25	3.2
WPI – state budget	3.75	3.5	3.25	3.5

Table 1: Three-year average of budget forecasts

**Figures, other than those that are a ¼, ½, or ¾ fraction, have been rounded to one decimal place.* Source: Statement of agreed facts, Table 3.

20. The QCU submits that a global assessment of the prevailing economic conditions demonstrates that there are no differences between the national economy and the state economy that are significant enough to warrant the Full Bench departing from the FWC decision of a 3.5% increase. To the contrary, the economic conditions in Queensland weigh in favour of the increase sought by the QCU. We provide the following in support of this view.

Economic growth

- 21. Economic growth in Queensland has been stronger than in the national economy.
- 22. In recent reference periods, and on average across the last five years, gross state product (GSP) and state final demand (SFD) have exceeded gross domestic product (GDP).²¹
- 23. In respect of state and federal budget forecasts:
 - (a) forecasted growth in GSP is slightly better than GDP across the three forecasted years (2.6% on average compared to 2.1% on average, respectively); and

²¹ Statement of agreed facts, Tables 1 and 2.

- (b) forecasted growth in SFD is notably better than GDP across the three forecasted years (3.1% on average compared to 2.1% on average).²²
- 24. On average across the last five years, GSP per capita and GDP per capita have not been too dissimilar (a difference of 0.1%).²³

Inflation

- 25. Inflation has been higher in Queensland.
- 26. All groups CPI percentage annual change for Brisbane exceeded CPI percentage annual movement for the weighted average of eight capital cities for the March quarter 2025, as well as on average across the last five years.²⁴
- 27. In respect of state and federal budget forecasts, forecasted CPI is not too dissimilar (2.7% on average nationally across the three forecasted years compared to 2.6% on average in Brisbane across the three forecasted years).²⁵

The labour market

- 28. Overall, the labour market in Queensland appears to be comparable to, or slightly stronger than, the labour market in the national economy.
- 29. In the most recent reference period (May 2025), employment growth in Queensland exceeded employment growth nationally, as well as on average across the last five years (for both the April and May 2025 reference periods).²⁶

²² Ibid Table 3.

²³ Ibid Tables 1 and 2.

²⁴ Ibid Table 1.

²⁵ Ibid Table 3.

²⁶ Ibid Tables 1 and 2.

- 30. In respect of state and federal budget forecasts, employment growth is forecasted to be slightly better in Queensland than nationally across the three forecasted years (2% on average compared to 1.7% on average, respectively).²⁷
- 31. The unemployment rate nationally and in Queensland have not been too dissimilar, particularly on average across the last five years (a difference of 0.1% for both the April and May 2025 reference periods).²⁸
- 32. In respect of state and federal budget forecasts, unemployment is forecasted to be the same nationally and in Queensland across the three forecasted years (4.25% on average).²⁹
- 33. In the most recent reference period (May 2025), the underemployment rate in Queensland exceeded the national figure, as well as on average across the last five years (for both the April and May 2025 reference periods).³⁰
- 34. In recent reference periods, and on average across the last five years, the participation rate in Queensland exceeded the participation rate nationally.³¹

Wages growth

- 35. Wages growth in Queensland appears to be stronger than in the national economy.
- 36. In recent reference periods, and on average across the last five years, the percentage annual change for AWOTE and WPI in Queensland exceeded the percentage annual change for AWOTE and WPI nationally.³²
- 37. In respect of state and federal budget forecasts, wages growth is forecasted to be slightly better in Queensland than nationally across the three forecasted years (3.5% on average compared to 3.2% on average, respectively).³³

²⁷ Ibid Table 3.

²⁸ Ibid Tables 1 and 2.

²⁹ Ibid Table 3.

³⁰ Ibid Tables 1 and 2.

³¹ Ibid.

³² Ibid Table 1.

³³ Ibid Table 3.

Productivity

- 38. The main countervailing factor in the AWR was the national economy's poor performance in productivity growth.³⁴ However, the FWC did not consider that the overall lack of productivity growth was a reason not to do anything to restore the real value of modern award wage rates but operated instead as a restraining factor on the size of the increase.³⁵
- 39. The productivity performance of the Queensland economy is not too dissimilar to that of the national economy.
- 40. In respect of the national economy, and in considering the current incomplete productivity cycle (starting 2021–22) together with the previous cycle (2017–18 to 2021–22), the FWC observed a reduction in labour productivity in 2024 and that labour productivity growth is considerably below its long-run trend.³⁶
- 41. In respect of the state economy, the state budget indicates that there was a reduction in market sector labour productivity in 2023–24 and that productivity growth has been weak over most of the last decade.³⁷

Business conditions

- 37. As indicated in the *NAB Quarterly Business Survey Q1 2025* (**NAB Business Survey**),³⁸ business conditions and confidence are better in Queensland than in the national economy.
- 38. This is best represented in Charts 36 and 37 of the NAB Business Survey.³⁹ For convenience, the charts are reproduced below:

³⁴ *AWR* (n 1), [141].

³⁵ Ibid.

³⁶ Ibid [32].

³⁷ The State of Queensland (Queensland Treasury), *Queensland Budget 2025–26: Budget Strategy and Outlook* (Budget Paper No 2, 24 June 2025) 7.

³⁸ National Australia Bank, *NAB Quarterly Business Survey Q1 2025* (17 April 2025).

³⁹ Ibid 8.





Figure 1: Reproduction of Chart 36 (Conditions by State) from the NAB Business Survey



Figure 2: Reproduction of Chart 37 (Confidence by State) from the NAB Business Survey

Relative living standards and the needs of low-paid employees

- 39. The QCU notes the FWC's criticisms of the methodology used in previous years to determine the low-paid benchmark,⁴⁰ as well as the difficulties in analysing the needs of the low-paid in the context of their household income,⁴¹ and acknowledges that the Full Bench faces the same challenges in determining relative living standards and the needs of low-paid employees in the context of the SWC.
- 40. However, despite the challenges with accurately identifying who the low-paid are, a public sector worker on a low wage has similar needs to a private sector worker on a low wage.⁴²

⁴⁰ AWR (n 1), [91]–[99].

⁴¹ Ibid [111]–[114].

⁴² 2023 SWC (n 16), [25].

- 41. The FWC determined that the main factor affecting the capacity of the low-paid to meet their needs has been the elevated inflation rate which has persisted over the last four years, which has led to a significant erosion in the real value of wages.⁴³ We therefore submit that the Full Bench's consideration may be assisted by an understanding of whether the experience in Queensland is comparable.
- 42. Set out in Table 2 below is a comparison of CPI nationally and in Queensland across the last four years:

Reference period	CPI for Weighted average of	CPI for Brisbane (%)	
	eight capital cities (%)		
March quarter 2025	2.4	2.7	
March quarter 2024	3.6	3.4	
March quarter 2023	7.0	7.4	
March quarter 2022	5.1	6.0	

Table 2: Comparison of CPI nationally and in Queensland across the last four years

Source: Australian Bureau of Statistics (ABS), Consumer Price Index, Australia, March 2025.

- 43. It is evident from this data, that the experience is comparable, if not worse, for the low-paid in Queensland. In three of the last four years, inflation in Queensland has exceeded inflation nationally. The 5-year average for inflation in Queensland has also exceeded the national figure.⁴⁴
- 44. Further, the FWC observed the following about the low-paid:⁴⁵
 - [139] Sections 284(1)(c) and 134(1)(a) of the FW Act require us to have regard to relative living standards and the needs of the low paid. As we have earlier found, low-paid modern award-reliant employees living in low-income households have been the worst affected by the reduction in real wage rates over the past four years and this will have severely constrained their capacity to meet their needs. In relation to relative living standards of the low paid, we note that the WPI increased by 3.4 per cent over the 12 months to the March quarter 2025, and is projected to grow by 3.1 per cent (RBA) or 3¹/₄ per cent (Budget) in 2025–26. Accordingly, unless modern award minimum wages and the NMW are increased by a comparable amount, we can expect that there will be a relative decline in living standards amongst the low paid compared to the

⁴³ AWR (n 1), [101].

⁴⁴ Statement of agreed facts, Table 1.

⁴⁵ AWR (n 1), [139].

workforce as a whole. The considerations in ss 284(1)(a) and 134(1)(a) therefore weigh strongly in favour of a real increase in the NMW and modern award wage rates.

(emphasis added).

45. The QCU notes that WPI in Queensland increased by 3.6%, compared to 3.4% nationally, over the 12 months to the March quarter 2025,⁴⁶ and that the state budget projects WPI to grow by 3.5%, compared to 3.25% (at best) nationally, in 2025-26.⁴⁷ Given the circumstances, it is reasonable for the Full Bench to observe the same in respect of low-paid employees in Queensland, and this ought to weigh in favour of the increase sought by the QCU.

Prevailing employment conditions of employees covered by modern awards

- 46. Pursuant to s 143(1)(i) of the IR Act, modern awards must provide fair standards for employees in the context of living standards generally prevailing in the community. This is a prevailing employment condition of employees covered by all modern awards.
- 47. By way of the AWR, national system employees in Queensland were provided with a real increase to award minimum wages and the minimum wage. That increase, which is comparable to wage growth and provides for fair standards in relation to living standards prevailing in the community, is 3.5%.
- 48. Ensuring that employees in the Queensland jurisdiction do not fall behind in respect of a real increase to award minimum wages and the minimum wage should therefore be a relevant consideration this year. It is fair and just for employees in the Queensland jurisdiction to receive a real increase of equal value, particularly those that are reliant on modern award minimum wages such as, *inter alia*, employees of First Nations Councils in the Local Government sector, Parents and Citizens Associations employees, and Auxiliary Firefighters. This accords with the Full Bench's overarching responsibility to ensure, amongst other things, that employees are covered by fair and reasonable wages that allow

⁴⁶ Statement of agreed facts, Table 1.

⁴⁷ Ibid Table 3.

them to participate in society and that those who do not benefit from bargaining are not left behind.⁴⁸

Operative date

49. Historically, the operative date for SWC general rulings has been 1 September of the relevant year, and the QCU seeks a continuation of this approach.

Conclusion

- 50. In determining minimum wages that are fair and just, it is incumbent on the Full Bench to make a determination that appropriately balances all of the relevant considerations in ss 141 and 142, *inter alia*, of the IR Act, and where the evidence on these matters demonstrates, on balance, that a particular increase is required to maintain fair and just minimum wages in modern awards, that increase ought to be awarded by the Full Bench.
- 51. The QCU submits that this year that increase is 3.5%.
- 52. For the reasons set out above, the matters weighing in favour of that increase are that:
 - (a) there are no differences between the national economy and the state economy that are significant enough to warrant the Full Bench departing from the FWC decision of a 3.5% increase; and
 - (b) unless modern award minimum wages are increased by a comparable amount to WPI (which was 3.6% in Queensland over the 12 months to the March quarter 2025), a relative decline in living standards amongst the low paid can be expected; and
 - (c) a 3.5% increase to modern award minimum wages provides for fair standards in relation to living standards prevailing in the community and will ensure that those who do not benefit from bargaining are not left behind.

⁴⁸ Declaration of General Ruling (State Wage Case 2020) [2020] QIRC 131, [77].

53. Similarly, and for the same reasons, it is fair and just for the Queensland minimum wage to be increased by 3.5% to \$948.00 per week.

Dated: 11 July 2025