

### QUEENSLAND INDUSTRIAL RELATIONS COMMISSION



*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

QUEENSLAND COUNCIL OF UNIONS - SUBMISSIONS IN REPLY

#### Introduction

1. The Queensland Council of Unions makes the following submissions in reply to the submissions filed by the **State** of Queensland on 25 July 2025 and the **Local Government** Association of Queensland on 1 August 2025.

#### The State's Submissions

### Quantum

- 2. We note that the State seeks a 'fair and reasonable increase' to modern award minimum wages and the Queensland minimum wage, but does not make any submissions in relation to what they consider to be 'fair and reasonable'.
- 3. Further, we note that the State 'does not seek the Full Bench to exercise its discretion under either section 459(2) or section 459A given the current industrial context'.<sup>2</sup>

<sup>&</sup>lt;sup>1</sup> State of Queensland Outline of Submissions, 25 July 2025, [3].

<sup>&</sup>lt;sup>2</sup> Ibid [6].

- 4. For the reasons set out in our submissions dated 11 July 2025, the 3.5% increase determined by the Fair Work Commission, which provides for fair standards in relation to living standards prevailing in the community, ought to be considered 'fair and reasonable'.
- 5. We therefore submit that the State's submissions are generally in support of the QCU's application.

#### Economic considerations

- 6. The State has filed evidence confirming that 'the outlook for the Queensland and national economies, including the labour market, are broadly similar' and the Queensland economy 'is largely consistent with the national economy in per capita terms'.<sup>3</sup>
- 7. We therefore submit that the evidence filed by the State should satisfy the Full Bench that the economic analysis conducted by the FWC of the national economy is substantially the same as that of the Queensland economy, and consequently, there is no cogent reason to depart from the FWC decision of a 3.5% increase.

## Criticism of QCU submissions

- 8. At [60]–[61] of their submissions, the State criticises the QCU's submissions for two reasons:
  - (a) In support of our submission that there are no significant differences between the State and national economies, we provide only 'opinions regarding the information in the statement of agreed facts'; and
  - (b) We have not filed any evidence.
- 9. However, the parties have jointly filed evidence by way of the statement of agreed facts, including:

<sup>&</sup>lt;sup>3</sup> Affidavit of Dennis Patrick Molloy filed 25 July 2025, [7.9].

- (a) the value of relevant economic indicators in agreed, and publicly available, ABS data reference periods, as well as in budget and Reserve Bank of Australia forecasts;<sup>4</sup> and
- (b) a list of documents in the public domain relevant to the Full Bench's evaluation of the national and state economies.<sup>5</sup>
- 10. Further, the parties have formally agreed on the following undisputed facts:
  - (a) that the parties will independently identify in their affidavit evidence and/or submissions the information contained in those documents that they consider relevant and the extent of its relevance; 6 and
  - (b) that the parties will independently lead any additional evidence they intend to rely upon in their submissions or at hearing in respect of all other relevant considerations.<sup>7</sup>
- 11. The QCU have appropriately made submissions in respect of the information we consider relevant and the extent of its relevance. Those submissions have been made with reference to information contained in relevant, and undisputed, source material, and are made to draw the Full Bench's attention to the information we consider most appropriately facilitates its independent evaluation of the prevailing economic conditions. It is obvious that the Full Bench will consider our submissions on that basis.
- 12. In respect of independently leading additional evidence, the QCU provides the following:
  - (a) The FWC decision is a significant factor considered by the Full Bench in determining the State Wage Case;<sup>8</sup>
  - (b) In circumstances where the economic data has indicated that the national economy is substantially the same as that of the Queensland economy, the Full Bench has previously held that there is no cogent reason to depart from the FWC decision;<sup>9</sup>

<sup>&</sup>lt;sup>4</sup> Statement of agreed facts, Tables 1-3.

<sup>&</sup>lt;sup>5</sup> Ibid [8].

<sup>&</sup>lt;sup>6</sup> Ibid [2].

<sup>&</sup>lt;sup>7</sup> Ibid [3].

<sup>&</sup>lt;sup>8</sup> Declaration of General Ruling (State Wage Case 2023) (No 3) [2024] QIRC 111, [157].

<sup>&</sup>lt;sup>9</sup> Ibid [63].

- (c) The QCU's lay assessment indicated that it was reasonably likely that an expert would conclude that the Queensland and national economies are broadly similar;
- (d) At the time of our submissions, the State's position was undetermined (and remained so up until the afternoon of 24 July 2025);
- (e) The State has a history of seeking a fair and reasonable increase to modern award minimum wages and the Queensland minimum wage; 10
- (f) The State has previously accepted in SWC proceedings that the FWC decision reflected a fair and reasonable increase; 11
- (g) The officers of our affiliates have a duty to act in the best interests of their respective organisations, <sup>12</sup> and it is not in the financial best interests of their organisations to incur significant costs for expert evidence that may not be necessary;
- (h) The State employs Treasury officials with the experience, qualifications and/or expertise to enable them to conduct economic analysis; and
- (i) Given the Directions Order for this matter enables the QCU to make submissions in response to the State's submissions, including any further affidavit material and expert reports, and any party to file further submissions in reply prior to the hearing, the QCU determined that it was fair and balanced to review the State's position and evidence before determining if expert evidence in support of our application was necessary.
- 13. The QCU is mindful of the Full Bench's expectations in relation to the nature and substance of the evidence required to be adduced in SWC proceedings. However, having now reviewed the State's submissions, and the Affidavit of Dennis Patrick Molloy filed on 25 July 2025, it is evident that the parties share the same view in respect of the prevailing economic conditions (i.e., the Queensland and national economies are broadly similar). The QCU have therefore determined that it is unnecessary, and not in the financial best interests of our affiliates, to independently lead additional evidence relating to this matter. The State's evidence supports the QCU application.

<sup>&</sup>lt;sup>10</sup> Declaration of General Ruling (State Wage Case 2021) [2021] QIRC 293, [19]; Declaration of General Ruling (State Wage Case 2022) [2022] QIRC 340, [16] ('2022 SWC'); Declaration of General Ruling (State Wage Case 2024) [2024] QIRC 244, [3] ('2024 SWC').

11 2022 SWC (n 10), [17]; 2024 SWC (n 10), [4].

<sup>&</sup>lt;sup>12</sup> Industrial Relations Act 2016 s 714.

14. To be clear, the State's undetermined position in relation to our application was the principal consideration in the QCU adopting this approach.

Award-reliant employees

- 15. At [21] to [23] of their submissions, the State provide information about the number of award-reliant employees in Queensland's industrial relations jurisdiction. However, the QCU notes that the number of award-reliant employees employed by Parents and Citizens Associations (P&Cs) has not been included.
- 16. We provide the following to assist the Full Bench in relation to this matter:
  - (a) In Re: In the matter of the making of Modern Awards Parents and Citizens Associations Award State 2016, it was observed that approximately 3,000 employees of P&Cs were award-reliant, <sup>13</sup> noting this is a dated estimation; and
  - (b) The Applicant in the matter of *Re Queensland Outside School Hours Care Enterprise Agreement (No. 2)* submitted that there were 1,061 employees employed to perform work in outside school hours care services provided by 42 P&Cs,<sup>14</sup> noting that outside school hours care is only one of six streams in the *Parents and Citizens Associations Award State 2016* classification structure.<sup>15</sup>
- 17. The QCU therefore submits that there are approximately 3,000, if not more, award-reliant employees employed by P&Cs, including at least 1,061 employees in the outside school hours care and vacation care stream, which (when added to the State's estimates) brings the total estimate of award-reliant employees in Queensland's industrial relations jurisdiction to more than 7,640 employees.

*Low-paid employees* 

<sup>&</sup>lt;sup>13</sup> Re: In the matter of the making of Modern Awards - Parents and Citizens Associations Award - State 2016 [2016] OIRC 094, [18].

<sup>&</sup>lt;sup>14</sup> Re Queensland Outside School Hours Care Enterprise Agreement [2024] QIRC 302, [4], [21], Schedule 1.

<sup>&</sup>lt;sup>15</sup> Parents and Citizens Associations Award – State 2016, clause 12.

- 18. The State's submissions in relation to the needs of low-paid employees relies on the methodology used by the FWC in previous years to determine the low-paid benchmark (i.e., full-time employees whose earnings are below two-thirds of median adult earnings of all full-time employees derived from two statistical measures published by the Australian Bureau of Statistics: i) Characteristics of Employment; and ii) Employee Earnings and Hours).<sup>16</sup>
- 19. However, as noted at [39] of the QCU's submissions dated 11 July 2025, and observed by the FWC in its Annual Wage Review 2025 decision, this methodology 'is open to the criticism that, since it includes payments for penalty rates (including overtime penalty rates), loadings and allowances, it is not readily relatable to the minimum rates of pay in modern awards'. <sup>17</sup> The QCU therefore submit that it is appropriate for the Full Bench to adopt a similar approach in assessing the needs of low-paid employees in the Queensland jurisdiction.
- 20. We also note that the Full Bench's task in relation to the SWC is not the same as that of the FWC in the AWR. The Full Bench's task is to have regard to the needs of 'low-paid employees', <sup>18</sup> with that term having a specific meaning under the *Industrial Relations Act* 2016.
- 21. Pursuant to s 8(1) of the IR Act, generally, an 'employee' is an individual who is employed, or usually employed, by an 'employer' which is defined, generally, pursuant to s 7(1) of the IR Act, as a person who is not a national system employer within the meaning of the Fair Work Act 2009 (Cth) and employs, or usually employs, 1 or more individuals.
- 22. The QCU submits that, in effect, this means that it is the Full Bench's task to have regard to the needs of employees who are low-paid relative to other employees covered by the IR Act. This may mean that the low-paid benchmark for the purposes of the SWC is not the same as any low-paid benchmark that may be determined by the FWC in future years.

 $<sup>^{16}</sup>$  State of Queensland Outline of Submissions, 25 July 2025, [36]–[39].  $^{17}$  [2025] FWCFB 3500, [95].

<sup>&</sup>lt;sup>18</sup> Industrial Relations Act 2026 s 141(2)(a).

23. While the QCU make no specific submissions in relation to what the appropriate low-paid

benchmark should be, we are mindful that this may be a matter that is required to be

addressed in a future SWC.

The LGAQ's Submissions

24. We note that the LGAQ seeks a 'fair and reasonable increase to the Queensland minimum

wage of 3.5 per cent, but not greater than', and 'an increase to award wage rates of 3.5 per

cent'.19

25. Further, we note that the LGAQ confirms that local governments have factored this increase

into their 2025-2026 financial year budgets.<sup>20</sup>

26. Consequently, in respect of local government sector employees, the relevant parties agree

on the quantum necessary to provide fair and just minimum wages, and this ought to weigh

in favour of the increase sought by the QCU.

Conclusion

27. For the reasons set out above, and in our submissions dated 11 July 2025, we submit that it

is fair and just for the Full Bench to award the increase sought by the QCU.

Dated: 12 August 2025

<sup>19</sup> Submission of the Local Government Association Queensland, 1 August 2025, [13].

<sup>20</sup> Ibid [9].

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