



STATEMENT

Fair Work Act 2009
s.285—Annual wage review

Annual Wage Review 2026 (C2026/1)

JUSTICE HATCHER, PRESIDENT

SYDNEY, 27 NOVEMBER 2025

Annual Wage Review 2026 – timetable and draft research program.

Timetable

[1] The *Fair Work Act 2009* (Cth) (FW Act) provides that, each financial year, the Commission must conduct and complete an annual wage review in which it must review modern award minimum wages and review the national minimum wage (NMW) order, may make one or more determinations varying modern awards to set, vary or revoke modern award minimum wages, and must make a NMW order.¹ The timetable for the *Annual Wage Review 2026* (2026 Review) will be as follows:

Date	Event
27 March 2026	Closing date for lodging initial submissions
3–6 April 2026	Easter
24 April 2026	Closing date for lodging reply submissions and any submissions relating to data or research published after 27 March 2026
8 May 2026	Closing date for expressions of interest in taking part in consultations
15 May 2026	Closing date for lodging post-Budget and/or supplementary submissions relating to data or research published after 24 April 2026*
20 May 2026	Consultations – Sydney

*See [Proposed Parliamentary Sittings 2026](#).

¹ *Fair Work Act 2009* (Cth) s 285.

[2] Submissions lodged throughout the 2026 Review **should not exceed 30 pages**.

Draft Research Program

[3] The draft research program for the 2026 Review is provided at Attachment A for comment.

[4] The program lists research on the labour mobility of award-reliant employees and, additionally, a background paper on the C12 classification rate which was foreshadowed by the Expert Panel in the *Annual Wage Review 2025 (2025 Review) Decision*.² As foreshadowed in the research program for the 2025 Review,³ information on business performance and characteristics using linked data from the Australian Bureau of Statistics will be considered for inclusion in the Statistical report based on analysis of the Business Longitudinal Analysis Data Environment (BLADE). A Research reference list will also be published for the 2026 Review.

[5] The draft research program also lists future research topics. As stated in the Statement confirming the research program for the 2025 Review, ‘... the Expert Panel is not restricted to undertaking research on topics listed for the forthcoming or future annual wage reviews and will continue to monitor the economic and social environment and update previous research as necessary, as is common practice.’⁴ Thus, Commission staff will explore options to procure research that examines the total wage earnings of modern award-reliant employees. This research was foreshadowed by the Expert Panel in the *Annual Wage Review 2023–24 Decision* (2024 Review decision) and if procurement proceeds, the research will be published to inform the Annual Wage Review 2027.

[6] Submissions regarding the draft research program for the 2026 Review should be made by **4:00 pm (AEDT) on 12 December 2025** and can be filed electronically to awr@fwc.gov.au.

[7] All submissions will be posted to the Commission’s website.



PRESIDENT

² [2025] [FWCFB 3500](#) at [149].

³ [2024] [FWC 3487](#) at Attachment A, p.5, ‘Business Performance and Characteristics’.

⁴ [2024] FWC 3591 at [3].



ATTACHMENT A

ANNUAL WAGE REVIEW 2026 — Draft Research Program

Statistical report

This will follow the format of previous Statistical reports and will be updated throughout the 2026 Review as new data are released and include for the first time data obtained from the Australian Bureau of Statistics (ABS) Business Longitudinal Analysis Data Environment (BLADE). Each version of the Statistical report will be available on the Commission’s website.

Research reference list

This will follow the format of previous Research reference lists and will include Australian and international literature, such as working papers, journal articles or other types of published reports that may be relevant to the minimum wages and modern awards objectives. The list will initially cover literature published following the Annual Wage Review 2025 (2025 Review) and be updated throughout the 2026 Review.

Research

Research report 1/2026: Labour mobility of award-reliant employees

Using the Household, Income and Labour Dynamics in Australia survey, the research will examine the rate that award-reliant employees change jobs and analyse their labour market outcomes when they do. This will include, but not be limited to, whether employees remain award-reliant and whether they change occupation following the transition. The research will also examine how labour mobility differs by individual and job characteristics.

Research report 2/2026: C12 and C13 classification rates in modern awards

In the 2025 Review decision, the Expert Panel stated that:

It is important to have an accurate understanding of the proportion of employees paid at the C13 level or below in our consideration of the circumstances of the low paid. The C13 rate is, as a result of the AWR 2023 decision and the subsequent C14 rates review ... the lowest rate in the modern award system that is payable for ongoing employment, with the C14 rate confined to entry-level employees for a maximum of six months. One way in which annual wage review outcomes may more effectively seek to ensure that the needs of the low paid are met is to target

higher increases for the lowest paid, as occurred in the AWR 2023 decision. ... Our capacity to undertake such a course would be aided by further research as to the number and proportion of employees paid at the C13 level or below so that the benefits and costs of this course are properly understood. Further research opportunities in this area will be explored prior to the 2026 Review.⁵

The Expert Panel further stated that:

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. Such a course would assist the position of the lowest paid while not distorting relativities between classifications above this level. ... This will be an issue for consideration in the 2026 Review, as will be the extent to which the reduction in the real value of modern award wages which has occurred since 2021 may by then be fully remedied.⁶

To support this consideration, Commission staff will prepare a report outlining the findings of an audit of modern award rates, with a particular focus on the prevalence and distribution of minimum wage rates across modern awards at and below the C12 classification.

The report will also present data on the real value of modern award minimum wages since 2021, taking into account the increases that took effect as a result of the C14 rates review and will update data published in the information note [Employees paid up to the C13 rate](#) which was published to inform the 2025 Review.

Future research

What is the composition of the total wage earnings of modern-award reliant employees?

In the 2024 Review decision, the Expert Panel stated:

We consider that further research is necessary to gain a better understanding as to the modern awards and classification levels which predominantly apply to modern award-reliant employees who are low paid, and the earnings which employees can realistically expect to obtain at various award classification levels inclusive of additional payments such as allowances, loadings and penalty rates. The Commission will explore opportunities for a research project after the completion of this Review.⁷

In a research paper for the 2025 Review, staff from the Commission published the report *A profile of employee characteristics across modern awards - 2023* using data from the ABS Survey of Employee Earnings and Hours for May 2023. The report showed a breakdown of the total earnings of low-paid modern award-reliant employees, disaggregating this into ordinary time, overtime and casual loading for employees paid an adult rate. Further disaggregation of earnings into penalty rates, loadings and allowances is not possible using this survey.

⁵ [2025] FWCFB at [100].

⁶ [2025] FWCFB at [149].

⁷ [2024] FWCFB 3500 at [84].

As there is no current data source that identifies the classification levels of employees, nor quantifies the penalty rates, loadings and allowances received by employees, the objective of this research is to collect such information from employees using a mix of quantitative and qualitative methods. Any suggested approach will be tested before proceeding with the research.

How have households in financial stress coped with the rising cost of living?

The rise in the cost of living may have varying impacts on households at different points of the income distribution. Using data including from the Household, Income and Labour Dynamics in Australia (HILDA) Survey, the research will analyse if, and how, employee households across the distribution have adapted to the higher cost of living in recent years. Responses by these households may be through changes to expenditure patterns or changes in income through job switching or taking on multiple jobs. A focus of the research will be on those households considered to be in financial stress, as identified in the Statistical report.

Access to secure work: evidence from Australia

The *Fair Work Legislation Amendment (Secure Jobs Better Pay) Act* made changes to the objects of the Fair Work Act, as well as the modern awards objective and minimum wages objective. The reference to ‘job security’ was considered and applied in the Annual Wage Review 2022–23. This research will consider indicators of and trends in secure work in Australia.

Business performance and characteristics

The Commission will continue to engage with the Australian Bureau of Statistics to explore opportunities to use and link various data sources to undertake research topics that focus on the characteristics and performance of businesses, in particular, award-reliant businesses, if data permitting.

Research proposals and expectant projects will be communicated in due course.

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