

STATEMENT

Fair Work Act 2009 s.285—Annual wage review

Annual Wage Review 2022–23 (C2023/1)

JUSTICE ROSS, PRESIDENT

MELBOURNE, 4 NOVEMBER 2022

DRAFT RESEARCH PROGRAM

- [1] A draft research program for the Annual Wage Review 2022–23 is provided at Attachment A for comment. The draft research program includes a description of the Statistical report and Research reference list.
- [2] Submissions to the Fair Work Commission (Commission) regarding the draft research program should be made by close of business on 25 November 2022 and can be filed electronically at awr@fwc.gov.au.
- [3] All submissions will be posted to the Commission's website.

PRESIDENT

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Attachment A



Annual Wage Review 2022–23 — draft research program

Statistical report

This will follow the format of previous Statistical reports and will be updated throughout the 2022–23 Review as new data are released. 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 relevant to the minimum wages and modern awards objectives. The list will initially cover literature published following the Annual Wage Review 2021–22 and be updated throughout the 2022–23 Review.

Research reports

A profile of employee characteristics across modern awards

The Australian Bureau of Statistics' Survey of Employee Earnings and Hours (EEH) microdata for May 2021, released in June 2022, includes a variable on the modern award that covers employees. The addition of a modern award variable is new and has not been available in prior releases of the EEH microdata. The research will explore and investigate data that can be provided for public release and aim to present a range of employer and employee characteristics across modern awards. These data can inform the annual wage review by providing additional and more specific information on employees (and their employers) receiving modern award minimum wages.

Budget standards for the low paid

The Annual Wage Review 2019–20 decision referred to budget standards as one consideration when assessing the needs of the low paid, including a 2017 report by the Social Policy Research

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¹ The number of modern awards analysed will depend upon sample size and restrictions on confidentiality.

Centre at the University of New South Wales that priced budgets in 2013.² It was acknowledged from the report that 'beyond the seven-year time horizon, it is preferable to review and revise the entire budgets to ensure that items, quantities and lifetimes as well as prices are reviewed and adjusted to reflect changes in community norms and average living standards'.³

In recent annual wage reviews, the budget standards from the 2017 report have been updated based on the Consumer Price Index. The research will review and revise the budget items in the 2017 report and expand on the previous report by including feedback from a broader section of the community (both low-paid and middle-income households). A supplementary budget of discretionary items which might be considered expenditures required to participate in Australian society will also be included.

The research will be undertaken by the Social Policy Research Centre at the University of New South Wales and published in early 2023.

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² Saunders P & Bedford M (2017), New minimum income for healthy living budget standards for low-paid and unemployed Australians', SPRC Report 11/17, Social Policy Research Centre, UNSW Sydney.

³ [2019] FWCFB 3500 at [306].