

ACCI Second Reply Submission

ACCI Submission

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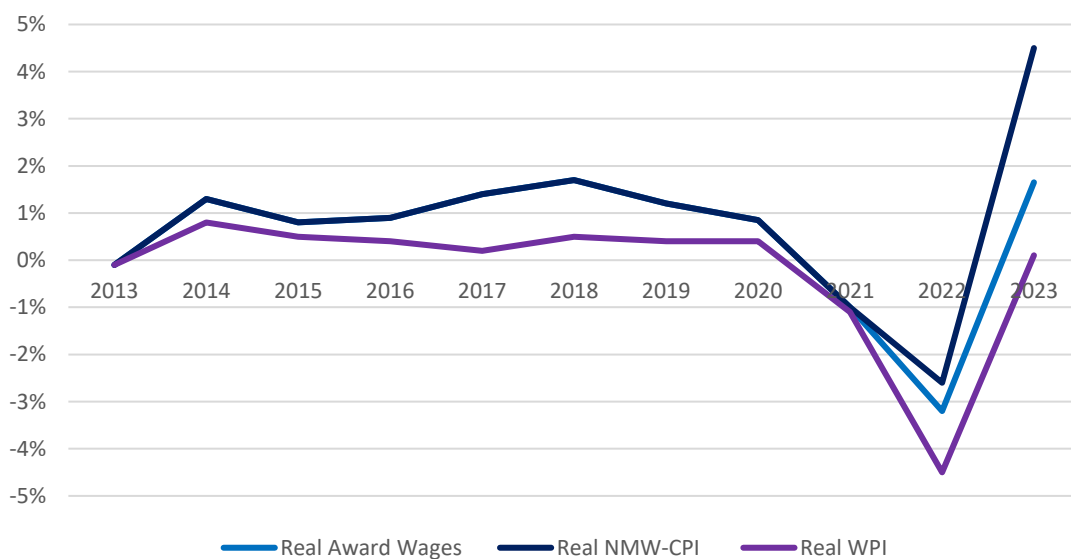
1 Questions on notice

1.1 Questions directly addressed for ACCI

Q2. *The Australian Chamber of Commerce and Industry (ACCI) made multiple comparisons between past increases in the minimum and modern award wages and past rates of inflation. Could ACCI please clarify these claims, providing the appropriate data if necessary?*

1. ACCI concur that the data used in Table 9.1 to calculate real wages growth over the past decade shows solid wages growth of over 1 per cent in most years, with the exception of 2021 and 2022 – years of exceptionally high inflation – when there was a contraction in real wages.
2. This is calculated using consumer price index (CPI) data for the December quarter of each year following the Annual Wage Review (AWR) decision. Figure 1 below shows real wages growth over the past decade using data from the Statistical Report, Table 4.1 and Table 5.1, which were used to calculate the real minimum wages growth shown in Table 9.1. Overall, as Table 9.1 shows, real minimum wages increased by 9.3 per cent over the decade.

Figure 1: Real Wages Growth using December quarter CPI data.

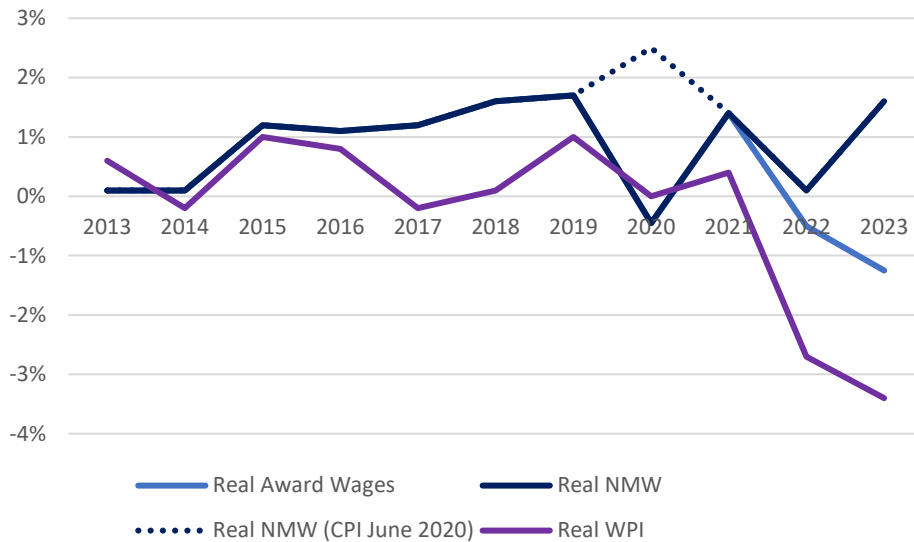


Source: Fair Work Commission 2024. Statistical Report – Annual Wage Review 2023-24. Tables 4.1 and 5.1.

3. However, if instead of using December CPI data — over 6 months after the Panel handed down its decision on the increase in the minimum and modern award wages — the analysis was made using data that was available to the Panel at the time of the decision, then it can be shown that there was a real increase of above 1 per cent in the minimum wage in every year of the past decade, with the exception of 2022 when the increase was 0.1 per cent.
4. While there was a modest contraction in real wages in 2020 when using March 2020 CPI data, this data point was just prior the lockdowns, before the economy went into a tail-spin. While the June quarter CPI data was not available at the time of the AWR decision in 2020, it was clear that the economy was contracting and experiencing deflation. Ultimately, the CPI did register as negative in June quarter. Yet, despite clear signs of the collapse in the economy, the Panel still saw fit to award an increase in minimum and modern award wages of 1.75 per cent. If June quarter 2020

CPI data is used, there was a 2.5% increase in real wages in 2020. It should however be noted that, recognising the impact of the wage increases were likely to have on businesses, the Panel did delay the wage increases for some sectors, mainly in service industries, by up to 9 months.

Figure 2: Real Wages Growth using March quarter CPI data.



Source: Fair Work Commission 2024. Statistical Report – Annual Wage Review 2023-24. Table 5.1. ABS 2024 Consumer Price Index, March 2024

Q7. How should the Expert Panel set minimum award wages for those workers who have less or no practical access to enterprise bargaining? Does ACCI have evidence to show that keeping modern award wage growth lower than average wage growth provides an incentive for enterprise bargaining?

6. ACCI would reiterate its primary position with respect to the need to encourage collective bargaining – this is a neutral consideration, as referenced by our substantive comments on page 48 of our initial submission to the AWR 2023-24. ACCI concurs with the previous decisions of the Panel, in that this is not a consideration which any significant weight should be given in its decision in this Review.¹ ACCI does not deviate from the Panel’s previous AWR decision wherein it stated:²

i. We have no sound basis to consider that, within a reasonable range, any increase we order to the NMW, and modern award minimum wage rates will either encourage or discourage enterprise bargaining. Accordingly, this is not a matter to which we give any significant weight in reaching our decision in this Review.

7. ACCI was pointing out that, logically, bargaining is, in a general sense, undertaken to allow productivity gains for the employer in exchange for higher wage outcomes for employees. To that end, the Panel should be cautious in instituting another substantial wage increase for employees to the extent that employers will struggle to find the productivity improvements which would pay for the over-award wage increases which collective bargaining would undoubtedly require.

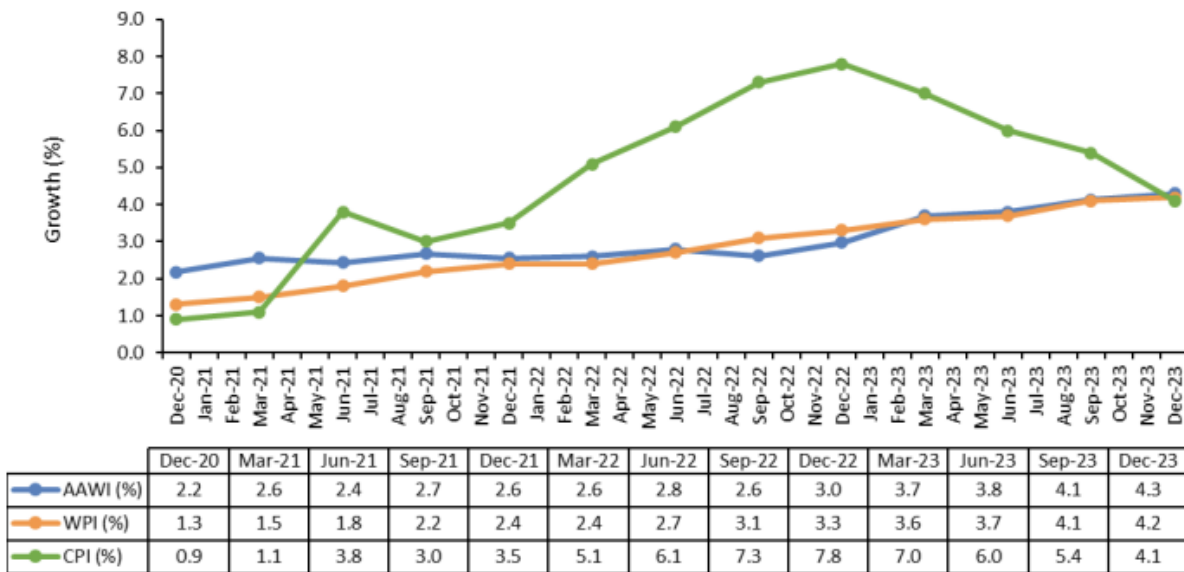
8. Continuing to increase minimum and modern award wages at a rate well above average wages growth calculated by the WPI, narrows the base. Particularly at a time of weak economic growth

¹ ACCI Initial Submission, Annual Wage Review 2023-24, page 48 at [207].

² [2022] FWCFB 3500 [85].

and when productivity is contracting, it is much more difficult for employers to afford to negotiate higher wage increases through EBAs.

9. As figure 3 shows, the gap between the Average Annualised Wage Increase (AAWI) in approved agreements and the WPI has narrowed in recent years, such that the AAWI now closely tracks the WPI. This can be related to very weak (contracting) productivity and the substantial increases in minimum and modern award wages relative to average wages growth.
10. To support and encourage EBAs, it is important that growth in minimum and modern award wages is not substantially greater than average wages (WPI) growth across the broader economy. Otherwise, employers have little room to move and are more likely to default to minimum and award wages, rather than negotiate higher wage increase in EBAs.
11. **Figure 3: Average Annualised Wage Increase (AAWI) in approved agreements, WPI and CPI**



Sources: Department of Employment and Workplace Relations, Workplace Agreements Database; ABS, Wage Price Index, Australia, December 2023; ABS, Consumer Price Index, Australia, December 2023.

1.2 Questions to all the parties

Q1. What should the Expert Panel conclude as to how the business sector is performing given the divergent conditions experienced and any recent improvement in business investment?

13. As discussed in more detail in the next section, the 2024-25 Budget is forecasting business investment to flat-line in the year ahead, with growth of only 1 per cent in 2025-25, followed by a 2 per cent increase in 2025-26. Business conditions are weak and business confidence is at record lows.
14. Several recent surveys have highlighted a challenging landscape for businesses across different regions and industries.
15. Data from the soon to be released April 2024 ACCI Small Business Conditions Survey shows that 79% of small businesses are grappling with increasing costs, with nearly 40% anticipating worse

profits compared to the previous financial year.³ Employers indicate that complying with contracts and legal obligations, and meeting wage and entitlement commitments, are the most challenging operational aspects for businesses. This is likely due to the constantly changing nature of these frameworks.

16. These results are consistent with the ACCI-Westpac Survey of Industrial Trends, which shows a deepening in pessimism in business outlook, with to a net 56 per cent expecting business conditions to deteriorate over the next 6 months in March 2024, up from a net 41 per cent in December 2023.⁴ This growing pessimism around the general business situation is due to persistent cost pressures and a disappointing performance for output and new orders, which are also having a significant bearing on profit expectations. While average unit costs of materials are easing from historic peaks, they remain elevated. Wage pressures are increasing, with 40 per cent of the businesses expecting the next wage agreement to deliver an outcome above the last. Businesses expect profitability to weaken, with a net 11 per cent of manufacturers anticipating profits to decline in the coming year.
17. Similarly, the NAB Monthly Business Survey finds business confidence remained steady at +1 index points in April 2024, albeit below average.⁵ Forward orders also fell in the month by 6 pts to -7 index points, driven by large movements in mining, manufacturing and construction, while the level of forward orders remains negative in retail and wholesale, suggesting the signs of economic slowdown and subdued demand.
18. The CommBank Household Spending Insights fell by 1 per cent in April 2024. The Household Spending Insights Index is down from the January peak of 149.7 to 148.1, indicating that household spending has weakened over the first 4 months of 2024.⁶ The largest fall in the spending indicator was spread across the sectors such as food and beverage (-3.8 per cent), hospitality (-3.3 per cent) and recreation (-2.6 per cent).
19. Further, retail sales data highlights that households are spending less and focusing on savings. This slowdown in spending is starting to impact on business profitability. The retail sector grew by a moderate 0.8 per cent over the year to March 2024, underscoring a year of feeble growth for retail sales. This sluggish performance remains significantly below the robust annual growth of 6.7 per cent observed in January 2022. As the household spending weakens and retail turnover falls, this will take a toll on business profitability and investment which is expected to slow down further.
20. State-specific surveys also contribute to the picture. The Chamber of Commerce and Industry WA Business Conditions survey for March 2024 indicates that almost one in five West Australian businesses (18 per cent) reported they were at risk of closing or significantly scaling back their operations this year.⁷ Cost pressures remained a key challenge for all businesses, with 71 per cent of those surveyed reporting it as a barrier to growth. The availability of skilled labour was also a barrier for 68 per cent of businesses. Almost two thirds (65 per cent) reported they had struggled to hire for a particular skillset over the quarter.

³ ACCI (unpublished) Small Business Conditions Survey

⁴ ACCI 2024, ACCI-Westpac Survey of Industrial Trends, March 2024. <https://www.australianchamber.com.au/publication/taxonomies/surveys/>

⁵ National Australia Bank 2024, NAB Monthly Business Survey: April-2024. <https://business.nab.com.au/nab-monthly-business-survey-april-2024/>

⁶ CommBank 2024, CommBank Household Spending Insights (HSI) <https://www.commbankresearch.com.au/apex/researcharticleviewv2?id=a0ND000000w0CZ>

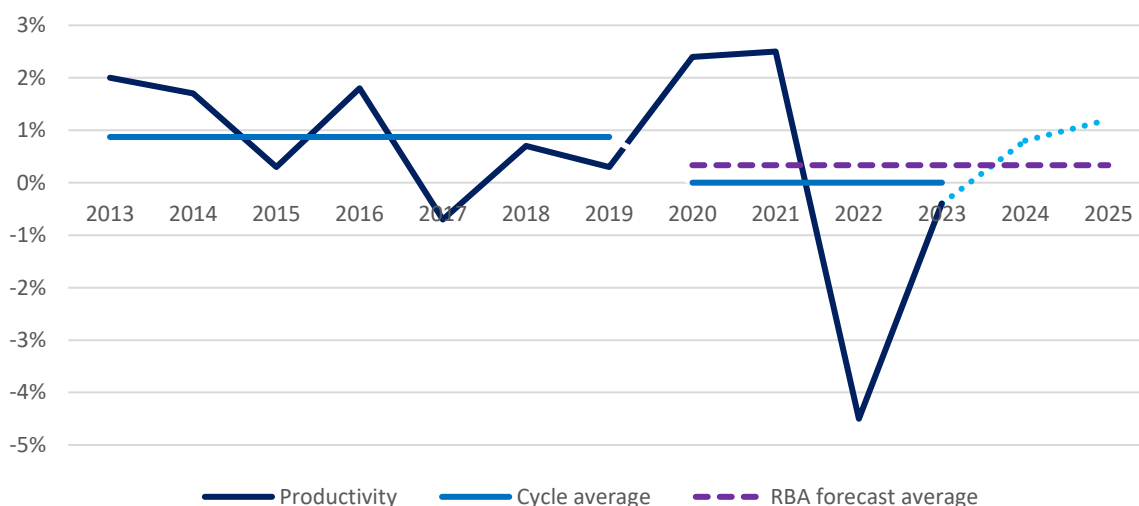
⁷ Chamber of Commerce and Industry WA, Business Confidence Survey, March 2024

21. Similar sentiments are echoed in the NSW Business Conditions Survey, which identifies that around 58 per cent of businesses are facing reduced customer demand for their products and services.⁸ This is exacerbating the high cost of doing business pressures they currently face. Businesses' margins are being squeezed and they have little capacity to absorb another sizable increase in labour costs through an increase in minimum and modern award wages. Further, businesses have reported the wage expectations to be the biggest barrier to attracting and retaining skilled workers.
22. The Queensland Business Chamber Pulse Survey of Business Conditions finds that business confidence in Queensland continuing to deteriorate.⁹ This is due to the high operational and labour costs, lower sales, natural disaster events, external global factors and workforce challenges.
23. In summary, the Expert Panel should recognize that the business sector is navigating through a difficult and complex environment characterized by high cost pressures, falling customer demand, a subdued profitability outlook and overall economic uncertainty. Despite some stability in certain metrics, businesses continue to face significant barriers to growth and sustainability.

Q3. To avoid the use of different time periods or a particular data series being used by parties, can parties provide their positions on Australia's productivity performance by reference to the charts and tables presented in the Statistical Report at Section 2 on Productivity and the information note on productivity growth published on 6 May 2024.

24. The data in Table 2.1 of the Statistical Report presents annualised GDP per hour worked for the December quarter of the given year. This roughly equates to the data used in earlier analysis by ACCI, which is based on the annualised quarterly GDP per hour worked. While the time series available in the Statistical Report are significantly shorter, the conclusions that can be drawn from the data don't change.

Figure 3: Productivity Growth and 10-year averages — annualised December quarter data

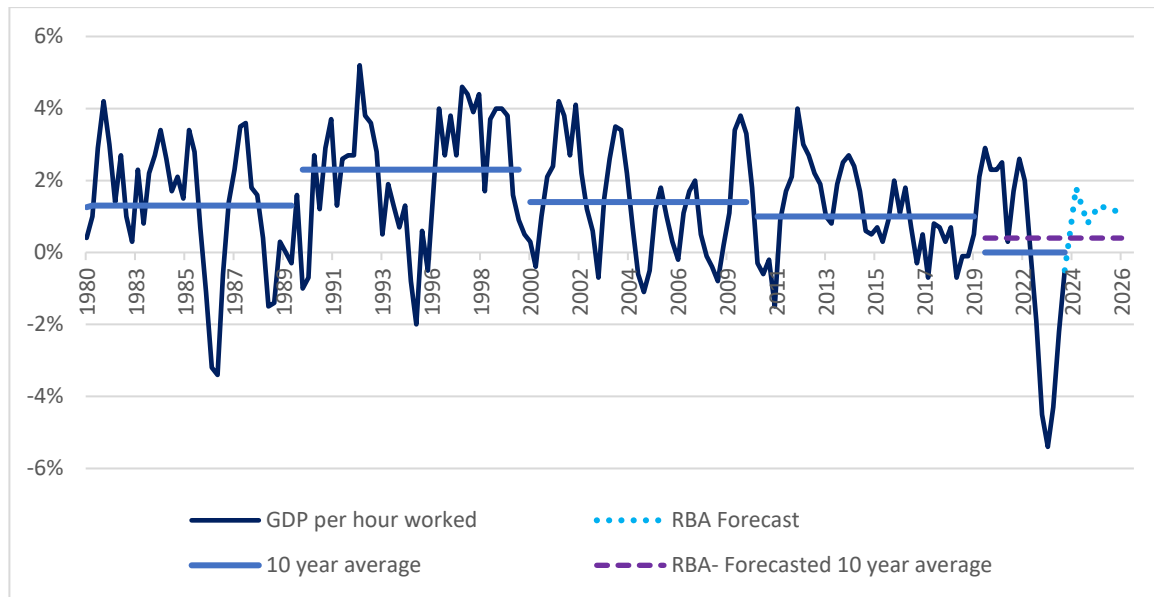


Source: FWC 2024, Statistical Report for the Annual Wage Review, version 5 – Table 2.1; RBA 2024, Statement on Monetary Policy, May 2024

⁸ Business NSW, NSW Business Conditions, March 2024

⁹ Business Chamber Queensland-Pulse Report December Quarter 2023

Figure 4: Productivity growth, 10-year averages and forecast — annualised quarterly data



Source: Australian Bureau of Statistics 2023 National Accounts: National Income, Expenditure and Product. Dec 2023. RBA 2024, Statement on Monetary Policy, May 2024

25. Labour productivity has contracted sharply over the past two years and remains in negative territory in December quarter 2023 (latest data).
26. Given the volatility in productivity, the Productivity Commission recommends labour productivity is best observed over a productivity cycle or decade. As noted in ACCI's initial submission, the Productivity Commission's 5-year Productivity Inquiry shows Australia's productivity growth over the past decade at its slowest pace in 60 years, at an average of just 1.1 per cent per year in the decade to 2019.¹⁰ It has since slowed even further, to an average of zero per cent over the past four years, having contracted sharply over the past year.¹¹
27. While productivity growth picked up in the second half of 2023, it remains negative on an annualised basis, with the Reserve Bank commenting that this "needs to be sustained over time if inflation is to continue to decline".¹²
28. On a quarterly basis, labour productivity rose 0.5 per cent increase in in the December quarter 2023. This was driven by a 0.3 per cent fall in hours worked and a weak 0.2 per cent increase in GDP. The Reserve Bank is forecasting productivity to increase to 1.8 per cent in June quarter 2024. This is likely to be based on earlier expectations of a continued decline in hours worked as the

¹⁰ Productivity Commission 2023 5-Year Productivity Inquiry Report. Volume 1: Advancing Prosperity.

<https://www.pc.gov.au/inquiries/completed/productivity/report/productivity-volume1-advancing-prosperity.pdf>

¹¹ Australian Bureau of Statistics 2023, National Accounts: National Income, Expenditure. September 2023.

<https://www.abs.gov.au/statistics/economy/national-accounts/australian-national-accounts-national-income-expenditure-and-product/latest-release>

¹² Statement by the Reserve Bank Board, Monetary Policy Decision ,May 2024

February Statement on Monetary Policy was expecting a faster rate of increase in unemployment than the May Statement.¹³

29. However, there was the surprise recovery in the labour market in February and continued growth in March. While hours worked shrank 49 million hours in January 2024, they bounced back, rising 53 million in February, then rose a further 17 million in March, a net increase of 20 million (around 0.35 per cent) for the March quarter 2024.¹⁴
30. Economic activity is expected to remain weak in the March quarter 2024, with GDP likely to increase by around 0.2 per cent, a similar rate as the December 2024.¹⁵ Therefore, it can be expected that productivity will again contract in the March quarter 2024.

2 Recently released data and information

2.1 Federal Budget 2024-25

General Overview

31. The Government has again delivered a Budget surplus of \$9.3 billion, following the \$22.1 billion surplus last year, supported by sustained growth in labour market providing larger than expected income tax revenue and high international commodity prices.
32. However, this will not be sustained, with the deficit over the forward estimates to grow at a faster rate than previously forecast. "Unavoidable spending" on Defence, the NDIS, aged-care, childcare and health will drive up the deficits over the next four years. The cumulative deficit between 2024-25 and 2026-27 of \$112.8 billion, is considerably higher than the \$73.4 billion forecast only 5 months earlier in the Mid-year Economic and Fiscal Outlook (MYEFO).
33. The Budget is showing spending surging from 24.8 per cent of GDP in 2023-24 to over 26 per cent of GDP the forward estimates. The underlying fiscal position has deteriorated over the forward estimates, with higher spending than forecast in MYEFO, but only a modest increase in revenues. Debt to GDP is also increasing over the forward estimates, with net debt to grow from \$934 billion in 2024-25 to over \$1 trillion in 2025-26 then \$1.11 trillion in 2026-27, while net debt will increase from \$553 billion in 2024-25 to almost \$700 billion by 2026-27.
34. There has been little effort to address the emerging structural deficit, in fact spending is accelerating in some sectors through measures to subsidise wages of workers in aged care and childcare. On the positive side, effort has been made to rein in the NDIS, with a \$14.4 billion reduction in spending over the forward estimates, although NDIS spending will still increase by \$11.1 billion over the next 4 years.

¹³ Reserve Bank of Australia 2024, Statement of Monetary Policy, February 2024 p.45 and May 2024 p. 51.

¹⁴ ABS 2024, Labour Force January 2024, February 2024 and March 2024.

¹⁵ ABS 2024, National Accounts, National Income, Expenditure and Product December 2023.

Cost-of living relief

35. Aware of the fragile state of the economy and acknowledging the risk that any significant spending measures may exacerbate inflation, the Government has focused the Budget on targeted cost of living relief to low-income households. The revised Stage 3 tax cuts are set to deliver an increase in household income of \$2.76 billion. For the 8.2 million taxpayers who earn between \$45,000 and \$135,000 a year, this means a tax relief of between \$804 and \$3,729 from July.
36. The energy bill relief enables all households to get a \$300 credit automatically applied to their electricity bills from 1 July 2024. The credits will be applied in quarterly instalments. The Government is providing \$3.5 billion for this relief, which extends and expands the energy bill relief rolled out to households and small businesses in 2023-24.
37. The increase in Commonwealth rent assistance involves a 10 per cent increase in the maximum rates of rental assistance. With payments currently between, \$125.47 and \$188.20 per fortnight, this involves an increase of between \$12.57 and \$18.82 per fortnight or between \$326.82 and \$489 per year. Up to 1.1 million households are expected to benefit from this scheme.
38. Around 4,700 singles receiving Jobseeker and working up to 14 hours a week will have their payment raised to the higher payment rate that is currently only available to single recipients with children and those aged 55 and over who have been on the payment for nine months or more. These jobseekers will receive an additional \$54.90 per fortnight from September.
39. The budget includes measures to reduce out-of-pocket medical expenses. The cost of PBS-listed medications will be frozen for everyone with a Medicare card for one year. For concession card holders and pensioners, prices will be frozen for five years. It means the price will remain at \$31.60, or \$7.70 per medicine for concession card holders and pensioners.
40. Overall, the cost-of-living relief provided in the Budget will deliver a substantial increase in household income, particularly to low-income households on minimum and modern award wages. This increase in household income should be factored into the Panel's decision.

Inflation

41. The Budget is forecasting inflation will return to the target range of 2 to 3 per cent by the end of 2024, due to a faster than expected slowing of economic growth. These forecasts are markedly lower than the Reserve Bank's forecast, provided in its May 2024 Statement of Monetary Policy, released only the previous week. Inflation is forecast to fall to 2.75 per cent by June 2025, well below the Reserve Bank's forecast of 3.2 per cent. The Budget is forecasting the cost-of-living relief provided in the Budget will take half a per cent off inflation in 2024-25.
42. This is hard to reconcile the decrease in inflation with the additional spending that has also been announced in the Budget. The revised Stage 3 tax cuts will deliver an increase in household income of \$2.76 billion. Similarly, the spending on pay increases for aged-care and childcare workers will provide a substantial increase in disposable income for these household.
43. Many respected market economists have questioned the government's inflation forecasts, suggesting the cost-of-living relief is more likely to add to inflationary pressures rather than relieve

it.¹⁶ There is increasing market expectation that the next move in the cash rate is likely to be up, not down.

Economic Indicators

44. Economic conditions will remain soft over the next year, with GDP growth forecast to improve only modestly from 1.75 per cent in 2023-24 to 2 per cent in 2025-26.
45. The labour market has been sustained by solid employment growth, with unemployment remaining historically low and the participation rate near its record high. While conditions in the labour market are softening, the unemployment rate is expected to rise only gradually to 4½ per cent by the June quarter 2025.
46. Wages have grown strongly over the past year, with the wage price index reaching 4.2 per cent in March 2024, the fastest annual rate in nearly 15 years. This has been driven by recent strength in the labour market and the Annual Wage Review decisions on the increase in minimum and award wage. However, as conditions in the labour market ease over the next year annual wage growth is expected to settle back to ¾ per cent in 2024–25 and 2025–26.
47. Real disposable income is expected to grow by 3.5 per cent in 2024-25. This is expected to be driven by a 4½ percentage point contribution from growth in labour incomes and a 1 percentage point contribution from the cost-of-living relief and tax cuts.
48. Overall, the softening economic condition in the year ahead, combined with inflationary pressures, necessitate that the Expert Panel take a cautionary approach in determining the increase in minimum and award wages in 2023-24. The declining economic activity will be felt most heavily by businesses in service industries with a high proportion of award reliant employees, making it harder for them to absorb a substantial increase in wages in the year ahead.

2.2 Reserve Bank, Statement on Monetary Policy

49. Inflation remains a significant risk to the Australian economy. The turn-around in the quarterly consumer price index in the March quarter 2024 (rising to 1 per cent from 0.6 per cent in December quarter 2023)¹⁷, led the Reserve Bank, as well as most market economists, to revise their inflation forecasts.
50. The Reserve Bank's May 2024 Statement on Monetary policy lifted the Consumer Price Index forecast by half a percent in June and December 2024 to 3.8 per cent, then easing to 3.2 per cent in June 2025.¹⁸ It continue to project inflation to return to the top of the target range of 2 to 3 per cent by December 2025, but, given the volatility in forecasts in recent months, this remains uncertain.
51. This adjustment in the Reserve Bank's forecast confirms the concerns ACCI raised in our reply submission regarding persistently high service inflation.¹⁹ Last year's Annual Wage Review decision has been shown to be a significant factor behind the rise in the unit labour cost to 2.3 per

¹⁶ <https://www.afr.com/policy/economy/front-loaded-spending-risks-fuelling-inflation-20240509-p5jb6d>; <https://www.theguardian.com/australia-news/article/2024/may/15/australia-federal-budget-2024-inflationary-concerns-energy-rebate-interest-rates>

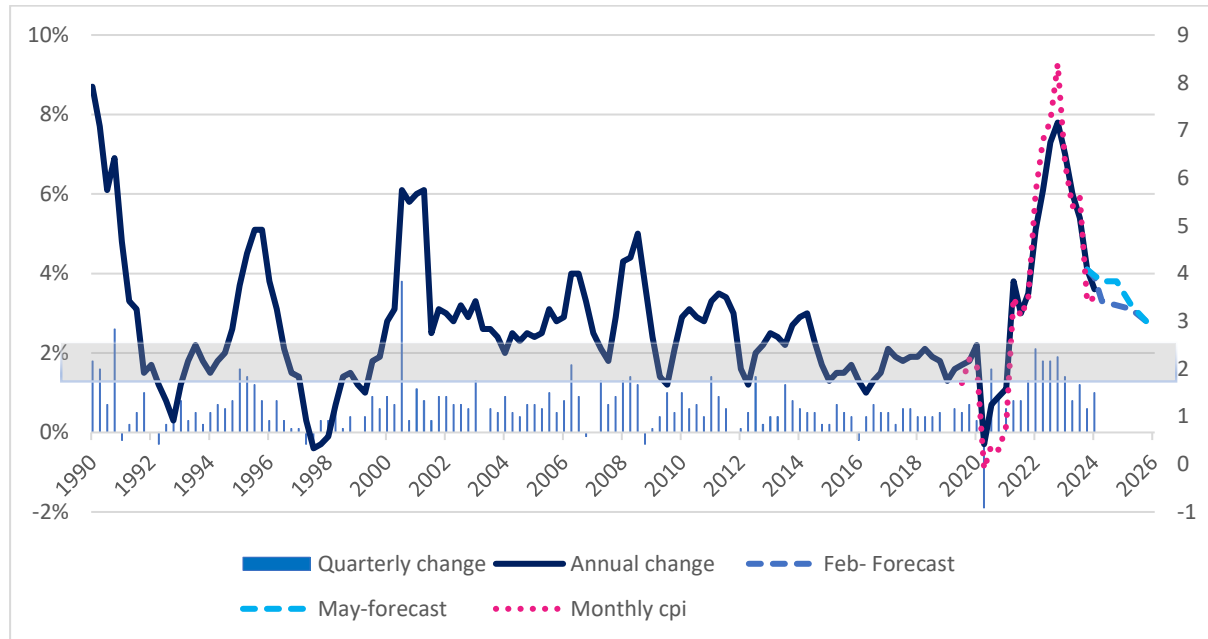
¹⁷ ABS 2024, Consumer Price Index March 2024.

¹⁸ Reserve Bank of Australia 2024, Statement on Monetary policy, May 2024. pg.6

¹⁹ ACCI 2024, Annual Wage Review, Reply submission, [16]-[19]

cent in September, from 1.5 per cent in June²⁰. The RBA’s statement identified service inflation as a key uncertainty reflecting stronger labour market conditions and a more gradual increase in unemployment²¹.

Figure 5: Consumer Price Index, Australia, including RBA Inflation Forecast from Statement of Monetary Policy – May 2024



Source: ABS 2023, Consumer Price Index, Australia | ABS 2023, Monthly Consumer Price Index Indicator March 2024 | CPI Forecast from the RBA Statement of Monetary Policy, February 2024 and May 2024

52. Despite previously suggesting that interest rates had peaked, the RBA is now taking a more cautious approach, with the May Statement of Monetary Policy identifying that, “the path of interest rates that will best ensure that inflation returns to target in a reasonable time frame remains uncertain”. Further, it “remains vigilant of upside risks” to inflation²². There is much speculation that this suggest the Reserve Bank is preparing for the next move in the interest rate to be upwards. This expectation is reinforced by the forecast for the cash rate assumption being revised upward to 4.4 per cent in December 2024, compared to the forecast of an easing to 3.9 per cent in its February 2024 Statement.
53. Further, the Panel must take into consideration domestic labour costs. The Reserve Bank notes labour costs have peaked but remains very high at around 7 per cent²³. The Reserve Bank indicates this is being driven by the robust wages growth and weak productivity outcomes²⁴. The Reserve Bank highlighted that unless there is a significant improvement productivity growth, these high unit labour costs will feed into the pricing charged by the businesses in order to maintain their margins²⁵.
54. The Reserve Bank also emphasized that wages are at a level that cannot be sustained at the current low level of productivity growth. The RBA cautioned that unless “labour productivity

²⁰ ACCI , Annual Wage Review ,Reply submission ,[19]

²¹ Statement by the Reserve Bank Board, Monetary Policy Decision ,May 2024

²² Statement by the Reserve Bank Board, Monetary Policy Decision ,May 2024

²³ Reserve Bank of Australia 2024, Statement on Monetary policy ,May 2024,pg.29

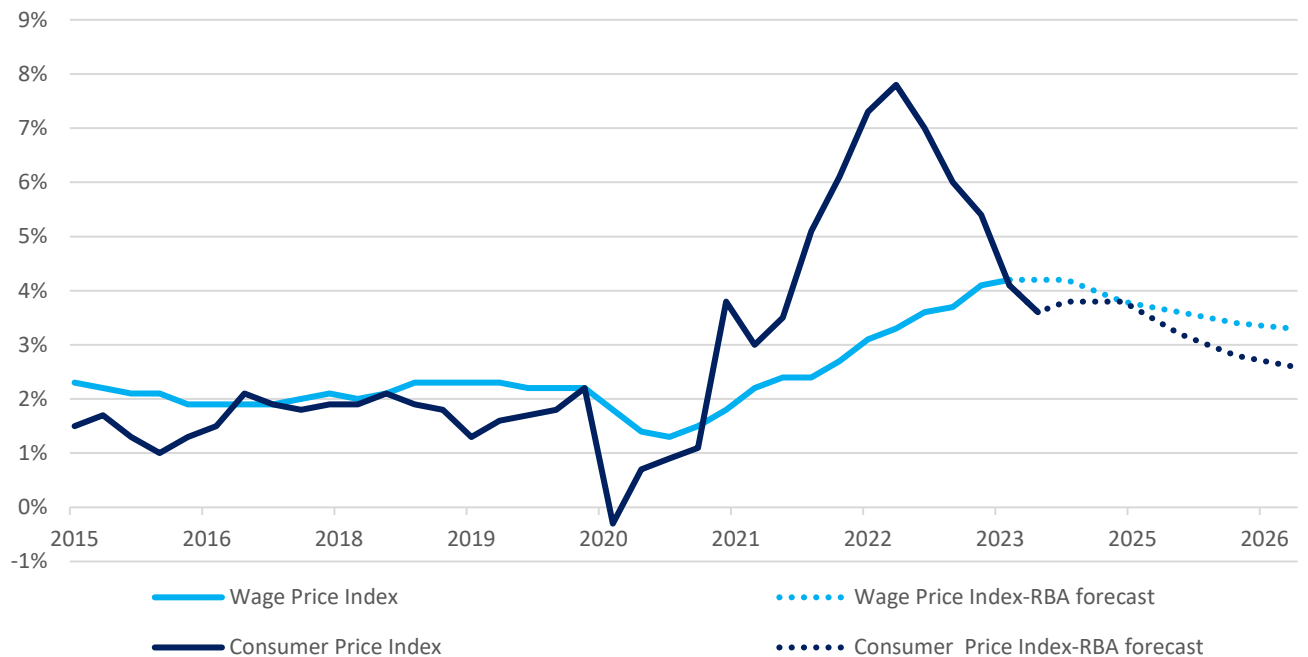
²⁴ Reserve Bank of Australia 2024, Statement on Monetary policy ,May 2024,pg.29

²⁵ Reserve Bank of Australia 2024, Statement on Monetary policy ,May 2024,pg.49

converges to its long-run average, businesses would face higher costs of producing a given amount of output to the extent they have limited ability to adjust wages.²⁶

55. The wage price index was 4.2 per cent in December 2023.²⁷ The Reserve Bank is forecasting the WPI to remain at 4.2 per cent throughout most of 2024, before easing to 3.8 per cent by the end of the year, then moderate further to 3.4 per cent by December 2024.²⁸ This represents an increase in the projections for the wage price index of 0.1 per cent for every period of the forecast.
56. Consumer inflation eased to 3.6 per cent over the year to March 2024. However, the quarterly data saw inflation tick up, rising to 1 per cent, from 0.6 per cent in December 2023. Given the tight labour market and inflationary pressures reemerging, coupled with the Fair Work Commission's substantial increase in modern award wages last year, as noted above, nominal wages are expected to remain very high in 2024 before moderating slightly in 2025. With the WPI remaining above 3 per cent until at least mid-2025 (more likely 2026) and productivity growth remaining very weak, it will be very challenging to return inflation to the target range of 2 to 3 per cent.
57. An increase in minimum and modern award wages of more than 2 per cent will contribute to inflationary pressure and as the Reserve Bank has noted that 'If inflation takes longer to return to target than anticipated, the greater the risk that inflation expectations drift higher, with no benefit to real wages and which would also require a costly period of higher unemployment'²⁹.

Figure 6: Comparison of Consumer Price Index and Wage Price Index.



Source: ABS 2024, Producer Price Index, March 2024 | ABS 2024, Consumer Price Index, March 2024 | ABS 2024, Wage Price Index, December 2023

²⁶ Reserve Bank of Australia 2024, Statement on Monetary policy ,May 2024,pg 44

²⁷ ABS 2024, Wage Price Index December 2023.

²⁸ Reserve Bank of Australia 2024, Statement of Monetary Policy May 2024. p. 51.

²⁹ Reserve Bank of Australia 2024, Statement on Monetary policy ,May 2024,pg 48

About ACCI

The Australian Chamber of Commerce and Industry represents hundreds of thousands of businesses in every state and territory and across all industries. Ranging from small and medium enterprises to the largest companies, our network employs millions of people.

ACCI strives to make Australia the best place in the world to do business – so that Australians have the jobs, living standards and opportunities to which they aspire.

We seek to create an environment in which businesspeople, employees and independent contractors can achieve their potential as part of a dynamic private sector. We encourage entrepreneurship and innovation to achieve prosperity, economic growth, and jobs.

We focus on issues that impact on business, including economics, trade, workplace relations, work health and safety, and employment, education, and training.

We advocate for Australian business in public debate and to policy decision-makers, including ministers, shadow ministers, other members of parliament, ministerial policy advisors, public servants, regulators and other national agencies. We represent Australian business in international forums.

We represent the broad interests of the private sector rather than individual clients or a narrow sectional interest.

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