

CONTENTS

	Pages
INTRODUCTION	3-4
EXECUTIVE SUMMARY	5-6
PART 1: LEGAL PRINCIPLES	7-8
PART 2: THE CURRENT NMW AND WAGE RATES AT C13 TO C10 DO NOT PROVIDE A SAFETY NET	9-14
Measuring relative living standards	10-11
Research on the level of poverty in Australia	11-14
PART 3: CONSIDERATION OF THE MATTERS IDENTIFIED IN S. 284(1)(A)-(E) OF THE FW ACT	15-19
Performance and Competitiveness of the National Economy	15
SPECIFIC CONSIDERATIONS	15-19
Inflation	15
Wage growth	15-16
Economic considerations	16
Relative living standards and the needs of the low paid	16
Employment growth	17-19
Changes from the Secure Jobs, Better Pay reforms	19
CONCLUSION	20

Annexure	Pages
ACU Research Report - March 2024	1-73

INTRODUCTION

- This submission is made by the Australian Catholic Council for Employment Relations (ACCER) for the Australian Catholic Bishops Conference (the ACBC). The submissions are made in partnership with Dr Tom Barnes and the Australian Catholic University (ACU). The ACCER submits that the Annual Wage Review should increase the National Minimum Wage (the NMW) and the annual wage review for the modern awards so as to provide a decent standard of living for low paid workers.
- 2. The ACBC is a permanent institution of the Catholic Church in Australia and is the vehicle used by the Australian Catholic Bishops to address issues of national significance.
- 3. The ACCER's submissions are informed by the Catholic Church's experience as one of the largest non-government employers in Australia. The Catholic Church employs more than 220,000 employees in health, aged care, education, welfare and administration. About 75% of these employees are covered by collective agreements. The balance are covered by awards made by the Fair Work Commission (the Commission or the FWC).
- 4. Notwithstanding the Catholic Church's status as a substantial employer, these submissions are advanced in support of the position and underpinning belief that workers have a right to wages that will support themselves and their families to a dignified standard of living. The Catholic Church has a long history of advocating for a safety net minimum wage which provides workers with wages that provide for a fair and decent standard of living. The idea that working people and their families live in poverty is inconsistent with safety net principles. The ACCER makes this submission in support of the statutory function of the minimum wage review and to support those workers reliant on the minimum wage. This belief arises from core Catholic social teaching. Modern expressions of these views can be found as early as Pope Leo XIII encyclical *Rerum Novarum* in 1891. These submissions are intended to give voice to those beliefs.
- 5. For a third year, ACCER has partnered with Dr Tom Barnes of the ACU to conduct research surrounding whether the Australian economy and employers can sustain a real increase in the NMW. As part of this research program, the ACU has assessed whether the economy and employers can afford a real increase in the NMW. The ACU's research has considered:
 - (a) the feasibility and affordability of the proposed increase in the NMW by focusing on recent and projected moderation in the Consumer Price Index, relatively modest growth in the Wage Price Index, persistently low unemployment, ongoing employment growth, positive job creation, rising profitability and falling real unit labour costs
 - (b) a systematic update of the National Poverty Line (**NPL**) data as the basis for calculations used to determine a fair and reasonable NMW determination for 2024
 - (c) substantial new analysis of data from the 2021 National Census as it relates to working patterns, employment status, and poverty levels among those affected, directly and indirectly, by changes to wages for the lowest-income earners
 - (d) substantive and original analysis that details how the Commission can redress the historical gap between the NMW and the NPL by 2030 for sole parents/carers with two dependent children by 2030, and substantially narrow the poverty gap for couples with dependent children
 - (e) the affordability of a more significant rise in the NMW from a business and economic standpoint

- (f) the absence of evidence for inflationary pressures arising from the 2023 NMW determination
- 6. This submission makes use of original research undertaken by Dr Tom Barnes and Ms Sophie Cotton at ACU (**Research Report**).¹
- 7. The Research Report is **annexed** and forms part of these submissions.

¹ Prepared by Tom Barnes and Sophie Cotton, ACU. All correspondence to tom.barnes@acu.edu.au.

EXECUTIVE SUMMARY

- 8. The ACCER submits that the statutory framework created by the *Fair Work Act 2009* (Cth) (**FW Act**) requires that the orders issued as part of the annual wage review to be a *safety net* of fair minimum wages. The ACCER further submits that in order to answer that statutory description and to properly take account of the matters described at s. 284(1) and in particular the needs of the low paid, it must ensure that all groups of workers who are dependent upon those minimum wages are kept out of poverty and social disadvantage. To put it another way, the ACCER submits that any order made should provide for a decent standard of living for the groups of workers who depend on those wages.
- 9. There are approximately 4,989,000 people in Australia living at or below the 60% poverty line (ACOSS, 2022, page 17). Research demonstrates that there is a decent proportion of this group who are employed in full-time work. The ACCER submits that where the current NMW and the award classifications from C13 to C10 does not allow individuals that are employed on a full-time basis to live without poverty, then those rates are not an effective safety net.
- 10. The ACCER respectfully commends the FWC for its 2023 NMW determination in addressing the cost-of-living crisis, especially as it relates to low-income earners. ACCER's Research Report supports the submission that it is possible, in an orderly and fair way, for the FWC to maintain and strengthen a safety-net for low-income earners by using NMW determinations to address working poverty over the long-term. Despite stronger increases in the NMW in 2022 and, especially 2023, our research demonstrates that the gap between the NMW and the NPL has remained so large that its complete elimination in 2024 would require a one-off increase in the NMW of 17.7% (or \$155.92), an increase which would still leave couple-based households with dependents in poverty relative to the NMW.
- 11. The NMW remains a laggard with respect to the NPL. The NPL for couples with two dependent children has averaged less than two-thirds (62.3 percent) of the NMW for the 10 years to 2023. For sole parents/carers with two dependent children, the NPL has averaged just over four-fifths (81.7 percent) of the NMW over the same period. The poverty gap remains a significant problem that NMW determinations have failed to address historically.
- 12. ACCER acknowledges the NMW outcomes of 2022 and 2023 have commenced a course which makes possible the reduction, and ultimately the elimination of the poverty gap within the foreseeable future. ACCER respectfully submits that the FWC should continue on this course and work for the elimination of the poverty gap.
- 13. Accordingly, the ACCER seeks an **increase of 4.9% to the NMW**. This would provide for an increase in the NMW of \$43.30 per week, bringing the NMW from \$882.80 to \$926.10 per week.
- 14. The ACCER contends that an increase in 2024 is warranted to achieve the historical task of eliminating the gap between the NMW and poverty lines in Australia. For the reasons set out below, ACCER believes that the elimination of the poverty gap can be achieved by the end of the decade.
- 15. These submissions are to be read in combination with the annexed Research Report and are divided into three parts:
 - (a) some observations about the legal principles governing the application and the previous approach to those considerations;

- (b) the case for a further significant rise in the NMW supported by current evidence about poverty and disadvantage in Australia and whether the current NMW and modern award minimum wages provide for a fair safety net of minimum wages; and
- (c) a consideration of the matters identified in s. 284(1)(a)-(e) of the FW Act.

(d) The Research Report considers:

- (g) the feasibility and affordability of the proposed increase in the NMW by focusing on recent and projected moderation in the Consumer Price Index, relatively modest growth in the Wage Price Index, persistently low unemployment, ongoing employment growth, positive job creation, rising profitability and falling real unit labour costs;
- (h) a systematic update of the NPL data as the basis for calculations used to determine a fair and reasonable NMW determination for 2024;
- (i) substantial new analysis of data from the 2021 National Census as it relates to working patterns, employment status, and poverty levels among those affected, directly and indirectly, by changes to wages for the lowest-income earners;
- (j) substantive and original analysis that details how the Commission can redress the historical gap between the NMW and the NPL by 2030 for sole parents/carers with two dependent children by 2030, and substantially narrow the poverty gap for couples with dependent children;
- (k) the affordability of a more significant rise in the NMW from a business and economic standpoint and any adverse effects of maintaining significant increases in the NMW, especially in relation to inflation as well as effects on business activities: and
- (I) the absence of evidence for inflationary pressures arising from the 2023 NMW determination.

PART 1: LEGAL PRINCIPLES

- 16. Before coming to the substance of the ACCER's submissions as to the appropriate setting of the NMW, it is necessary to say something about the proper construction of ss. 284 and 285 of the *Fair Work Act 2009* (Cth) (**FW Act**).
- 17. In AWR Decision [2023] FWCFB 3500 the Expert Panel canvassed the legislative scheme and approach to both ss. 134 and 285 of the FW Act at [12] to [23]. Then at [22] to [45] the Expert Panel considered the additional considerations that had been added to the FW Act since the last decision of the Expert Panel. At [22] the Expert panel observed:

[22] The discharge of the Commission's statutory functions under s 285 involves an evaluative exercise which is informed by the considerations in ss 284(1)(a)-(e) and 134(1)(a)-(h) (as applicable) and the object in s 3. The statutory objectives are very broadly expressed and do not necessarily exhaust the matters which the Panel might properly consider to be relevant. The range of such matters 'must be determined by implication from the subject-matter, scope and purpose' of the FW Act. There is a degree of overlap between the various considerations which must be taken into account under ss 284(1) and 134(1) and also a degree of tension between some of these considerations. No consideration is assigned any particular primacy and the relevance of and weight to be assigned to the considerations will vary depending upon the social and economic context and other facts and circumstances of the particular Review. The complex balancing exercise which is required has led the Commission in previous Reviews to eschew a mechanistic approach to wage fixation.

(Footnotes omitted)

- 18. The evaluative exercise described above is the production of an order which is a *safety* net of fair minimum wages. The matters identified in s. 284(1)(a)-(e) inform the making of that order, but do not change the nature of the exercise. This means that not only must the Commission take into account the matters specified in s. 284 (1)(a) to (e), but the order must also answer the statutory description of being a *safety net of fair minimum* wages.
- 19. Having regard to the objects of the FW Act and the scheme of the FW Act whereby the minimum wages payable are those under either the modern award or the NMW, the purpose of the safety net must be to prevent employees from falling into disadvantage or poverty. To put it another way, the safety net is to provide a decent living wage for those who receive it. If the NMW was set at such a level to allow groups of workers to fall into poverty and disadvantage, it is difficult to see how that would achieve the object of promoting social inclusion for all Australians or satisfy the purpose of a "safety net". Persons suffering from poverty are unlikely to feel any degree of prosperity or social inclusion.
- 20. In AWR Decision [2023] FWCFB 3500 the Expert Panel noted the historical development of the NMW at [105] and [106]. At [107] and [108], the Expert Panel held that setting the NMW by reference to the C14 rate alone should not continue and identified that (our underlining):

[107] In short, the FMW was not established by reference to the needs of the low paid. It was simply aligned with the lowest classification rate established for what was then the Metal Industry Award 1984 – Part I (Metal Industry Award). The C14 classification which then appeared in the Metal Industry Award, and remains in the Manufacturing Award today, has only ever applied to an employee undertaking '[u]p to 38 hours induction training' and was never intended to apply on an ongoing basis to a person's employment. Consistent with the approach taken in the Safety Net Review – Wages – April 1997 decision, the quantum of the FMW remained aligned

with the C14 classification rate while the Workplace Relations Act 1996 (Cth) remained in effect and, by virtue of the 2009-10 Review decision, it was carried through when the FW Act came into operation. This approach has remained unchanged in every Review decision since.

[108] ... A comprehensive review of the NMW should be undertaken by reference to the budget standards research and other relevant material to arrive at a NMW amount which is set having proper regard to the needs of the low paid and the other considerations in s 284.

- 21. At [109] the Expert Panel also noted that there are questions about whether the modern award rates, particularly those between C13 and C10, are meeting the needs of the low paid.
- 22. Consistent with the Expert Panel's observation that a more comprehensive review was required, the Research Report (**attached** to these submissions) in section 2 seeks to explore the current wage rates for the NMW, the C12 and C10 rates for various household types as against the National Poverty Line.

PART 2: THE CASE FOR A FURTHER SIGNIFICANT RISE IN THE NATIONAL MINIMUM WAGE

- 23. The ACCER relies on the Research Report skilfully prepared by Dr Tom Barnes and Sophie Cotton of the Australian Catholic University.
- 24. The Research Report supports and complements ACCER's case for a higher NMW in two main sections.
- 25. Firstly, it outlines the case for including longer-term (i.e. multi-year) planning into NMW determinations in terms of the Commission's social safety-net mandate.
- 26. The mandate is framed in terms of the problem of working poverty in Australia and the historical failure of the Commission, and predecessor bodies, to redress the poverty gap for households that rely on low-wage jobs and occupations. This problem is focused especially on the issue of sole parents/carers with dependent children—one which, the report argues, can be addressed systematically by 2030—as well for other multi-person households with dependents, including those where low wages intersect with long-term unemployment, low educational attainment, inadequate skill formation and insecure employment to reproduce disadvantage.
- 27. Secondly, it focuses on the feasibility and affordability of ACCER's proposed increase in the NMW by focusing, in turn, on recent and projected moderation in CPI, relatively modest growth in the WPI including recent falls in the WPI for industries affected disproportionately by NMW determinations such as Accommodation and Food Services and Retail Trade—persistently low unemployment, ongoing employment growth, positive job creation, rising profitability and falling real unit labour costs.
- 28. In commending the Research Report for the Commission's consideration in support of these submissions, ACCER highlights that the Research Report:
 - (a) offers new data on working poverty in relation to the most up-to-date information from the 2021 National Census
 - (b) identifies that a relatively positive business environment has persisted, including ongoing jobs growth, despite the economy's emergence from a period of high costs, supply chain pressures, and moderately rising wage costs (albeit in the longer-term context of historically low wages growth)
 - (c) identifies such conditions have persisted in the context of a rising trajectory in NMW determinations, including 2022's inflation-equivalent increase and 2023's real wage rise and award rate reclassification. Both decisions—2023 in particular—represent a welcome shift from the perspective of the working poor and socially disadvantaged without undermining macroeconomic performance in the wider economy or business conditions in general, including jobs growth
 - (d) sets out that conditions for business remain positive overall, indicating a strong capacity to afford a further significant (if smaller) shift in the NMW. Macroeconomic indicators support this conclusion. Unemployment remains at a relatively low level by historical standards. Total employment growth slowed slightly in 2023 but remains positive. Job creation looks very positive overall. Company profits have trended upwards since early 2021 and grew significantly in the latter half of 2023. Real unit labour costs, having fallen for decades, remain at historically low levels despite an increase in costs in 2023.

Measuring relative living standards

29. The submissions and decisions in Annual Wage Reviews regarding living standards and poverty have usually been made by reference to measures of living standards developed by the ABS and their adaption by the Commission to measure the living standards of various kinds of minimum wage-dependent households. ABS data collection and analysis on these and associated matters have been collated and published in accordance with international standards. There is a considerable body of learning on these matters. The basic resource material is found in the *Canberra Group Handbook on Household Income Statistics*, published in 2011 by the United Nations Economic Commission for Europe. As the name suggests, the ABS was instrumental in developing this publication. Included in the publication are the following:

"The Canberra Group Handbook on Household Income Statistics, Second Edition (2011), provides a consolidated reference for those involved in producing, disseminating or analysing income distribution statistics. It reflects the current international standards, recommendations and best practice in household income measurement. It also contains updated and expanded information about country practices in this field of statistics and provides guidance on best practices for quality assurance and dissemination of these statistics." (page iii)

"The aim of the Handbook is to contribute to the availability of more accurate, complete, and internationally comparable income statistics, greater transparency in their presentation, and more informed use of what are inevitably some of the most complex statistics produced by national and international organisations." (page 1)

- 30. The basic calculation for these measurements of living standards is the "median equivalised disposable household income" for a single person household, which is derived from household income surveys conducted by the ABS every two years. This figure is calculated using standard equivalence scales that calculate the incomes needed in various kinds of households to produce the same standard of living; for example, a family of two adults and two children requires a disposable income that is 2.1 times the disposable income of a single person in order for both households to have the same standard of living. It also means that the family of four requires 2.1 times the median equivalised disposable household income in order to be at the median Australia-wide standard of living. The disposable incomes of individuals and families take into account the tax payable on earned income and government transfers such as family payments.
- 31. Although data on relative living standards has been available since 1994-95, changes in the collection and recording of data limit the utility of the early years of this research. In Tables A1 to A13 of the Research Report provided calculations from January 2001, but, having regard to the changes made in the surveys, we have restricted most of the commentary to changes in living standards since January 2004.
- 32. Appendix A of the Research Report offers a systematic update of NPL data as the basis for calculations used to determine a fair and reasonable NMW determination for 2024.
- 33. The most recent estimate of the national median was published in April 2022; *Household Income and Wealth, Australia, 2019-20*, cat. no. 6523.0. The median equivalised disposable household income for a single person in that year was \$959.00 per week (ABS, 2023a). We have used that figure for January 2020. Because of the inevitable delays in publishing the results of surveys, the Commission updates the survey figures by reference to the Melbourne Institute's calculations of national per capita "Household Disposable Income" which are published quarterly in its *Poverty Lines* newsletter. The Research Report uses those calculations for the years between surveys and for the period since the latest published results.

- 34. Full updated data and calculations are documented in Appendix A of the Research Report which provide estimates for the most recently available data (January 2024). Although the NMW remains sufficient for single-person households from a poverty-line perspective, it remains significantly inadequate in addressing working poverty for multi-person households with dependents. Our updated analysis shows, furthermore, that the C12 and C10 award rates also fall short in terms of addressing working poverty for these cohorts (Figure 2.1).
- 35. The National Report for Rental Affordability Snapshot (Anglicare Australia, 2023) identifies that despite the 5.2 percent wage increase awarded by the Fair Work Commission in 2022, affordability for single people on the minimum wage has still slid backwards as rents soar much higher than the CPI. The National Report identifies a single parent working full time on the minimum wage can afford 0.7 percent of rental dwellings and that a low-income locks out those persons from the rental market.

Research on the level of poverty in Australia

- 36. In every Annual Wage Review the Commission has confronted data which has demonstrated high levels of poverty in Australia. The critical point about this evidence is that it has not yet been contradicted. Households with incomes below 60% of median should be regarded as significantly disadvantaged. This much is made clear by the budget standards research.
- 37. Appendix B of the Research Report offers new data on working poverty in relation to the most up-to-date information from the 2021 National Census.
- 38. The evidence has established, and the Commission has accepted, that many homes are in poverty even where there is full time employment. In 2013, for example, in referring to statistics in *Poverty in Australia 2012* the Commission stated:

"The data in Poverty in Australia 2012 show that of all people with disposable incomes below 60 per cent of the median, 20.5 per cent were employed full-time, 13.5 per cent were employed part-time and 5.9 per cent were unemployed—the remainder were not in the labour force. Low-paid employment appears to contribute more to the total numbers in poverty than does unemployment." (footnote omitted and emphasis added)²

- 39. The report *Poverty In Australia 2023: Who is Affected* (**Poverty in Australia Report**) was published by the Australian Council of Social Services (**ACOSS**). The report was prepared by the Sydney Poverty and Inequality Partnership at the University of New South Wales. It found that a large proportion of those living in poverty were in households where there was full time employment: 701,000 at the 50% measure; and in homes where there was part time employment, there were 576,000 below the 50% poverty line (ACOSS, 2023, page 54).
- 40. Poverty in Australia Report also found that, among the total number living in poverty, there were 761,000 children under the age of 15 living in poverty at the 50% of median level (ACOSS, 2023, page 29. It is noted that, when COVID supplement payments were introduced there was a fall in levels of poverty.

² Annual Wage Review 2012-13 [2013] FWCFB 4000 at [408].

- 41. The importance of this data cannot be underestimated. Firstly, it demonstrates the troubling reality that a very large number of Australians are living in poverty and disadvantage.
- 42. Secondly, and perhaps more importantly for the present exercise, it is entirely consistent with the data identified in the Research Report. The fact that there are approximately 4,989,000 living in the 60% poverty line and 3,319,000 living in the 50% poverty line where there is also full time employment in their household is consistent with the data that families working full time at NMW to C11 rates are below the 60% line (ACOSS, 2022, page 17; ACOSS, 2023, page 23). The data identified in the Research Report proves that this is not theoretical. This data shows that the current NMW rates are not maintaining an effective safety net.
- 43. Unfortunately, the data does not descend to a sufficient level of granularity to enable a precise examination of the numbers of full time workers who are affected. However, it must be true that not all of those 4,989,000 people were the wage earners. If one assumes that the wage earners comprise 20% of that group (i.e. one in every five), that means that there are still approximately 997,800 people receiving a full time wage which is not sufficient to constitute a safety net for them and their families.
- 44. The research report *Characteristics of employees on the National Minimum Wage* promulgated by the FWC assists in answering some of the questions about who it is that is in receipt of the NMW. Having regard to tables 2 and 3, approximately 52% of the total workers described in table 2 are women. Further, approximately 17.5% of the total workers described in table 2 are working full time. That suggests a large number of the persons described in the Poverty in Australia Report are either paid pursuant to the lower award classifications (for example those families described in section 2 of the Research Report) or are paid pursuant individual arrangements which are in excess of the minimum standard established by the NMW, but insufficient to ensure that their household is not in poverty.
- 45. Annexure B to the research report extracts data from the 2021 Census concerning low-income families. Annexure B seeks to identify the composition of those families and the working patterns of the parents in those families. Annexure B provides an insight into the lives of 289,642 couple parent families and 254,356 sole parent families with dependent children which can be classed as low income (see table B1). Those families are then analysed according to income and labour force status. Tables B2 and B3 show that the great majority of these low-income couple parent families were engaged in some kind of employment. Importantly, in the case of couple families, in 65,786 households one adult was working full time with the other not working. There were also an additional 14,172 households where one parent was working full time and other was away from work or unemployed. In the case of single parent households, 20,336 families had full time work in their household.
- 46. The conclusion to be drawn from the ACOSS data and Annexure B of the Research Report is that there is a substantial number of persons who are in full time work whose households fall below the 60% poverty line. That is entirely consistent with the analysis of the NMW, C12 and C10 rates in section 2 of the Research Report. Whilst there are limitations on the data available, the family types and situations described in section 2 are plainly not theoretical. For those persons the current minimum wage rates do not sufficiently take into account the needs of the low paid.
- 47. While we know from these research projects how many children are living in poverty and how many Australians living in poverty are in households where there is a full time or part time employee, the reports do not estimate how many children are living in poverty despite a parent having a full time or a part time job.

- 48. The Sydney Poverty and Inequality Partnership notes the most recent data from the Organisation for Economic Co-operation and Development (**OECD**), which show that in 2019-20 the Australian Poverty rate at the 50% level was 12.6%, which was above the OECD average of 11.8% (ACOSS and UNSW, 2023). Australia had the 15th highest rate among the 38 OECD countries (ACOSS and UNSW, 2023). Part of the reason for this poor performance is, we submit, the failure of minimum wage rates to provide sufficient support for low wage working families.
- 49. ACCER has referred in past reviews to a Productivity Commission Staff Working Paper, entitled *Deep and Persistent Disadvantage in Australia*, which was published in July 2013. This paper (by Rosalie McLachlan, Geoff Gilfillan and Jenny Gordon) is a very substantial contribution to the understanding of a range of issues concerning disadvantage, social exclusion and poverty. The scope of the research paper was "to find answers to a number of questions, including:
 - what does it mean to be disadvantaged?
 - how many Australians are disadvantaged and who are they?
 - what is the depth and persistence of disadvantage in Australia?
 - where do Australians experiencing disadvantage live?
 - what factors influence a person's risk of experiencing disadvantage?
 - what are the costs of disadvantage and who bears them?" (Page 4)

50. The paper provides:

"There are a number of reasons why policy makers need a better understanding about the nature, depth and persistence of disadvantage.

- 1. There is a high personal cost from disadvantage. People can suffer financially, socially and emotionally, have poor health and low educational achievement. Family, particularly children, and friends can also be affected. Given that key objectives of public policy are to improve the lives and opportunities of Australians (both today and in the future), it is important to find ways to reduce, prevent and ameliorate the consequences of disadvantage.
- Disadvantage reduces opportunities for individuals and society. By addressing disadvantage, more Australians can be actively engaged in, and contribute to, the workforce and to society more generally. Higher levels of engagement typically lead to higher personal wellbeing — improved living standards and quality of life.
- 3. Disadvantage has wider consequences for Australian society. For example, persistently disadvantaged communities can erode social cohesion and have negative social and economic consequences for others. Overcoming disadvantage can lead to safer and more liveable communities.
- 4. Support for people who are disadvantaged and the funding of programs to overcome disadvantage involves large amounts of taxpayers' money and private funding. Policy relevant questions include: what are the most effective investments for reducing and preventing disadvantage; and what are the costs and benefits?" (Page 28)

- 51. It is submitted that there is more than sufficient information about the deleterious impact of poverty and disadvantage on society. Various research reports show that many hundreds of thousands of Australians are living in poverty and that a full time job is not a means of escaping poverty for low income families (Phillips, Gray & Biddle, 2020).
- 52. The effect of this is that the NMW and C12 to C10 wage rates presently do not answer the description of being a safety net of fair minimum wages (Appendix A, Table A10).
- 53. So there can be no confusion, the ACCER accepts that:
 - the Annual Wage Review and the setting of the NMW is a blunt instrument to address disadvantage; and
 - increasing the NMW will have broader implications.
- 54. However, those facts do not change the reality observed at [107] to [109] of last year's decision. The current rates for the NMW and those rates below C10 do not adequately take into account the needs of the low paid and they do not answer the description of being a safety net. Accordingly, ACCER submits that a rise of 4.9% is appropriate as part of a longer term strategy to quickly eliminate the poverty gap that exists for those persons receiving the NMW and the classifications at C10 and below.

PART 3: CONSIDERATION OF THE MATTERS IDENTIFIED IN S. 284(1)(A)-(E) OF THE FW ACT

Performance and Competitiveness of the National Economy

55. Whilst the focus of these submissions is whether the NMW answer the description of being a safety net of fair minimum wages and whether employers can afford a more substantial increase in the current economic circumstances, it is necessary for the ACCER to say something about the considerations for the minimum wage objective identified in section 284(1)(a).

SPECIFIC CONSIDERATIONS

56. Section 284(1)(a) provides that when setting a safety net of fair minimum wages, the Commission must take into account the performance and competitiveness of the national economy, including productivity, business competitiveness and viability, inflation and employment growth. This requires a consideration of the effect an increase in minimum wages will have on inflation, wage growth and the economy. These considerations are explored in detail in the annexed report.

Inflation

- 57. Inflation was recorded at a rate of 4.1 percent (December Quarter 2023). The economy appears to have passed its inflationary 'peak' of late 2022 and the rate of price rises gradually abating since then.
- 58. Despite moving through a period of significant inflationary pressure followed by moderated growth and employment in the content of tighter monetary policy settings, Australia's economic outlook and business climate remain remarkably positive.
- 59. The absence of evidence of any inflationary pressures arising from the 2023 NMW determination serves as a reminder that the inflationary surge of 2022 was almost entirely decoupled from movements in wages, including in relatively labour-intensive, lower-wage sectors such as Accommodation and Food Services or Retail Trade where we would expect changes in the NMW to influence wider wage costs.

Wage growth

- 60. The WPI increased by 4.2% in the year ending December 2023 (ABS, 2023e).
- 61. For the first time in more than three years, changes in the CPI have begun to coalesce with changes in the WPI, which measures changes in the price of labour.



Figure 1 Annual change, Consumer Price Index (CPI) & Wage Price Index (WPI) 2018-2023, Change (%) from Quarter of Previous Year. Source: ABS (2024)

Economic considerations

- 62. Gross Domestic Product (**GDP**) growth is estimated at 1.5% for the year ended December 2023 (RBA, Statement of Monetary Policy February 2024, page 4). It is forecasted to decrease further to 1.3% over June 2024, before increasing from December 2024 (RBA, Statement of Monetary Policy February 2024, page 4).
- 63. The effect of the foregoing is that whilst the quantum of increase sought by the ACCER is significant, there are unlikely to be adverse economic consequences from the making of such an order. It is submitted that the consideration of the competitiveness of the national economy is not a matter which would lead to the Commission not making the orders sought.

Relative living standards and the needs of the low paid

- 64. The consideration identified in s. 284(1)(c) is a direct statutory acknowledgement that in order for the Commission to effectively make a safety net that is fair, the Commission must take into account the relative living standards and needs of the low paid. However, the inclusion of this consideration does not mean that the Commission is relieved of ultimately making an order which answers the statutory description in the first part of (1).
- 65. Many of the factors identified in the annexed report are directly relevant to a consideration of the relative living standards and the needs of the low paid. In addition to the matters set out above, the ACCER would also submit that a consideration of the following matters would lead the Commission to the view that an increase of the quantum sought by the ACCER was necessary.

Employment growth

- 66. Concerns over employment growth are often cited as a significant reason to avoid wage growth. According to labour demand theory (see for example Lewis and Sltzer 1996) as often referred to in submissions in favour of holding increases to the minimum wage during times of economic uncertainty, a 10% increase in average wages increases unemployment by 8%. But for the reasons outlined below, the ACCER submits that such arguments are not adequately supported by evidence, and ought be approached with caution.
- 67. The Research Report identifies conditions for business remain positive overall, indicating a strong capacity to afford a further significant (if smaller) shift in the NMW.

 Macroeconomic indicators support this conclusion:
 - (a) Unemployment remains at a relatively low level by historical standards (Figure 3.10).
 - (b) Total employment growth slowed slightly in 2023 but remains positive (Figure 3.11).
 - (c) Job creation looks very positive overall, as observed in the Weekly Payroll Jobs Index (Figure 3.12).
 - (d) Company profits have trended upwards since early 2021 and grew significantly in the latter half of 2023 (Figure 3.13).
 - (e) Real unit labour costs, having fallen for decades, remain at historically low levels despite an increase in costs in 2023 (Figure 3.14).
- 68. According to James Bishop, a key distinction to the Australian setting is the effect of centralised Award setting. He says that there is no evidence that wage changes have an adverse effect on hours worked or the job destruction rate (Bishop, 2017).
- 69. Margaret McKenzie supports this conclusion (McKenzie, 2018, p 66):
 - '...patterns of unemployment and underemployment in Australia are apparently unrelated to changes in the minimum wage in Australia,... Rather, employment and unemployment variables are clearly dominated by cyclical trends in the macroeconomy.'
- 70. She further observes that:

'Minimum wages establish a floor for wage outcomes, and thus influence the distribution of economic output between labour and capital. So the weakening of minimum wage policy since the 1980s, evident not only in the statutory level of the minimum wage but also in the scope and strictness of its application, naturally helps explain at least part of the subsequent decline in relative labour incomes. Minimum wages have been relatively stagnant in real terms over this period, and have lagged well behind both overall average and median wages, and behind average labour productivity growth.

Organs of government including the Treasury (Belot and Doran 2017) and the Reserve Bank of Australia (Martin and Bagshaw 2017; Lowe 2017a; Lowe 2017b; Bishop and Cassidy 2017), and even parts of the private sector (Turner 2017), have recognised that stagnating wages are undermining Australia's economic performance.

International institutions such as the IMF (IMF 2017) and the OECD (Schwellnus et al. 2017) have also supported the view that wages need to increase in real and relative terms, in order to support macroeconomic expansion and household financial stability. Most of these mainstream discussions of the problems of wage stagnation ignore or barely allude to the role of labour market regulation and industrial relations in explaining weak wage growth.

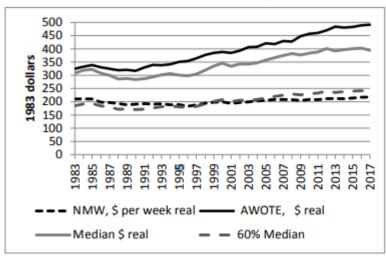
However, some mainstream analysts recognise these institutional factors behind wage stagnation: for example, Bishop and Cassidy (2017:16) acknowledges that 'low wage growth may reflect a decline in workers' bargaining power', while Watson (2016) concluded that increasingly casualised work and the erosion of collective bargaining have also suppressed wages.

...

the present process of minimum wage determination does not adequately attain the objectives originally proclaimed in Australia's minimum wage policy. Where a more ambitious vision of minimum wage regulation once helped to lead an ongoing improvement in workers' living standards, this is no longer the case. Instead, the minimum wage is treated as a bare-bones 'safety net', one which cannot even lift a full-time full-year worker out of poverty. Its effect is further undermined by the growing number of workers who are not even covered by minimum wage laws (due to their categorisation as self-employed or independent contractors), and by a demonstrated and systemic failure to enforce minimum wage laws even where they do apply. All this is has contributed to a widening gap between minimum and average wages in Australia, widening inequality, and the long decline in the labour share of income.' (McKenzie, 2018, p 66).

71. This theory is underpinned by ABS data:

Figure 2 Minimum, Average and Median Weekly Earnings 1983 to 2017, constant dollars (1983 = 100) (McKenzie, 2018, p 55).



Sources: ACTU (2017 a), average full-time earnings - AWOTE from ABS 6302.
Median ABS 6333, most recent. NMW from Bray (2013) and FWC. All series deflated by the CPI (ABS 6401).

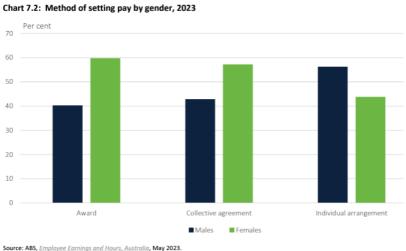
72. The Productivity Commission's 2015 Inquiry into the Workplace Relations Framework similarly found little or no negative impact of minimum wage or other wage increases on employment. This study proceeded from the assumption that increases in the minimum wage *would* have a negative impact on overall employment. The study ultimately

- concluded that assumption was not supported by the data (Productivity Commission, 2015, Appendix C).
- 73. On the basis of this research, it is submitted that concerns or submissions made in respect of the adverse effect of an increase in the minimum wage should be approached with caution. The evidence in Australia does not support such a conclusion.

Changes from the Secure Jobs, Better Pay reforms

- 74. Section 284(1)(aa) introduced by the Secure Jobs, Better Pay reforms requires the Commission, in maintaining a safety net of fair minimum wages, to take into account inter alia the need to achieve gender equality, including by ensuring equal remuneration for work of equal or comparable value, eliminating gender-based undervaluation of work and addressing gender pay gaps.
- 75. The Commission's Statistical Report of 29 February 2024 identifies in Chart 7.2 on page 72 the method of setting pay by gender demonstrates a heavier reliance by females on the award safety nets and collective bargaining:

Figure 3 Method of setting pay by gender, 2023



- 76. Table 8.7 on page 84 further identifies that adult female employees are over represented in low-paid adult employment, comprising 54.9% of low paid workers compared to a 45.1% representation of male adult employees.
- 77. Recent research by the Australian Government's Workplace Gender Equality Agency has identified the medium gender pay gap currently stands at 19%, with Australia's total remuneration average gender pay gap at 21.7% (WGEA Gender Pay Gap Data, 2024).
- 78. Where adult female employees are disproportionately reliant on awards to set rates of pay and over represented in low-paid adult employment, ACCER submits a higher increase to the NMW will work towards the statutory aim of eliminating gender-based undervaluation of work and addressing gender pay gaps.

CONCLUSION

- 79. The ACCER submits that the evidence in the annexed Research Report reveals that a significant cohort of Australian workers who are dependent upon the NMW are not receiving a decent living wage. Many of those groups are well below the 60% poverty line or are sufficiently close to that poverty line such to say that they are not protected from the ill effects of poverty and disadvantage.
- 80. An increase to the NMW would assist with the long-held goal of the NMW to close the gap of poverty in Australia, which the ACCER believes can be achieved by the end of the decade.
- 81. For those reasons, the ACCER respectfully submits that an increase in the amount of **4.9%** should be granted to the NMW and flowed on to, at a minimum, the wage rates at the C13 to C10 level in all modern awards.

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Report: March 2024

ACU Research Report to Assist with Preparations for ACCER's Submission to the 2024 FWC Annual Wage Case¹

Executive Summary

This report has been written to provide key research data to support ACCER's submission to the FWC Annual Wage Case. It documents and substantiates the following findings:

- (1) The report recommends an increase in the National Minimum Wage (NMW) of 4.9 percent for 2024. This would provide for an increase in the NMW of \$43.30 per week, bringing the NMW from \$882.80 to \$926.10 per week.
- (2) This proposal is based on the idea that the FWC should:
 - fully pursue its safety net mandate by gradually eliminating the gap between the NMW and the National Poverty Line (NPL) for sole parents/carers with two dependent children before the end of this decade, and substantially narrow the poverty gap for couples with dependent children. Despite the large increase in the NMW in 2023, which provided welcome relief for low-income households, this gap has remained so large that its complete elimination in 2024 would require a one-off increase in the NMW of 17.7% (or \$155.92), an increase which would still leave couple-based households with dependents in poverty relative to the NMW.
 - embed the goal of eliminating the poverty gap into its overall approach to NMW determination. In the interests of social balance and economic stability, such a goal should be understood as a gradual process that can take place over several years. Doing so would mean the FWC also embedding a longer-term view of its social mandate into NMW determinations than has hitherto been the case, in terms of understanding each annual decision as part of an underlying commitment to social justice alongside economic prosperity, one which transcends any individual wage case, as well as the social, economic and institutional particulars shaping shorter-term determinations. If we retrospectively reframe the 2023 determination as a positive step in such a direction, a more modest 4.9 percent increase in 2024 would maintain minimum wage policy on the correct trajectory vis-à-vis a substantial reduction in working poverty in Australia.
 - remain cognisant of the substantial cost-of-living challenge facing low-income households in Australia, one which persists despite the economy appearing to have passed its inflationary 'peak' of late 2022 and the rate of price rises gradually abating since then. This challenge is reflected in ongoing sharp increases in rents, food and other

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¹ Prepared by Tom Barnes and Sophie Cotton, ACU. All correspondence to tom.barnes@acu.edu.au.

consumer non-durables, utilities (retail electricity prices in particular), and insurance premiums.

- (3) Despite moving through a period of significant inflationary pressure followed by moderated growth and employment in the content of tighter monetary policy settings, Australia's economic outlook and business climate remains remarkably positive. The absence of evidence of any inflationary pressures arising from the 2023 NMW determination serve as a reminder that the inflationary surge of 2022 was almost entirely decoupled from movements in wages, including in relatively labour-intensive, lower-wage sectors such as Accommodation and Food Services or Retail Trade where we would expect changes in the NMW to influence wider wage costs. Evidence for this conclusion includes persistently low unemployment (despite moderated economic growth), ongoing job creation (despite a mild fall in overall employment growth), as well as strong and rising business profitability.
- (4) Despite stronger increases in the NMW in 2022 and, especially, 2023, the NMW remains a laggard with respect to the NPL. Updated data in this report demonstrates that the NPL for couples with two dependent children has averaged less than two-thirds (62.3 percent) of the NMW for the 10 years to 2023. For sole parents/carers with two dependent children, the NPL has averaged just over four-fifths (81.7 percent) of the NMW over the same period. The poverty gap remains a significant problem that NMW determinations have failed to address historically. However, the NMW outcomes of 2022 and 2023 have generated a course which makes possible the drawing down, and potential elimination of the poverty gap within the foreseeable future.
- (5) By embedding a longer-term social mandate into its determinations, the FWC would be well poised to address a goal of mitigating working poverty—a goal justified fully by its social safety-net mandate—over the longer-term *alongside* shorter-term considerations which include the cost-of-living for low-income households, the cost of doing business (especially for small-to-medium sized enterprises) and the inflation-related impacts of national wage determinations. A 4.9 percent increase would address *all* of these concerns simultaneously; it would not significantly outpace current headline inflation or short-term inflation projections and is feasibly affordable for sectors where businesses are relatively dependent on lower-wage, lower-skilled jobs and occupations. Yet it could also be co-conceived as a step along a path of ongoing wage determinations which satisfy the FWC's safety-net provisions by addressing and, ultimately, seeking to eliminate the poverty gap for working people in Australia. This report sets out a practical guide for how this could be achieved for low-income sole parents/carers with dependent children by the end of this decade.

Full Report

1. Introductory Outline

This report is intended to support the ACCER submission to the Fair Work Commission's (FWC) Annual Wage Case with data and original analysis that focus upon the following key research questions:

- 1. Is it appropriate for the FWC to stipulate targets for the National Minimum Wage (NMW) and C10-C12 award rates beyond 2024?
- 2. If so, what should these targets be, how do they relate to the identified characteristics of individuals on the NMW, and how should they relate to the 2024 determination?
- 3. What, if any, are the adverse effects of maintaining significant increases in the NMW, especially vis-à-vis inflation as well as effects on business activities?

In addressing these questions, the report makes the case for a 4.9 percent increase in the NMW for 2024 in terms of current and ongoing cost-of-living challenges for the low-paid, the capacity of business to afford a further significant rise, and in terms of the longer-term challenge of redressing working poverty in Australia. This third goal is framed as a necessary and realistic objective that relates directly to the FWC's legislated mandate to provide social protection for Australia's most vulnerable wage-earners.

In addition to the primary research questions mentioned above, the report offers substantial new analysis of data from the 2021 National Census as it relates to working patterns, employment status, and poverty levels among those affected, directly and indirectly, by changes to wages for the lowest-income earners. This analysis includes new findings by age groups (especially for young people) as well as household type (especially sole parents/carers) (see Appendix B).

The report draws primary data from official sources, principally the Australian Bureau of Statistics (ABS), and some secondary source materials. The report makes its case for a higher NMW in two main sections. Section 2 below outlines the case for including longer-term (i.e., multi-year) planning into NMW determinations in terms of the FWC's social safety-net mandate. The mandate is framed in terms of the historical and contemporary problem of working poverty in Australia, and the positive role that the FWC could play in redressing the poverty gap for households that rely on low-wage jobs and occupations. This problem is focused especially on the issue of sole parents/carers with dependent children—one which, the report argues, can be addressed systematically by the end of this decade—as well for other multi-person households with dependents, including those where low wages intersect with long-term unemployment, low educational attainment, inadequate skill formation and insecure employment to reproduce disadvantage.

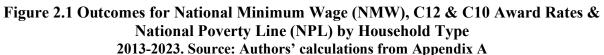
Section 3 focuses on the feasibility and affordability of the proposed increase in the NMW by focusing, in turn, on recent and projected moderation in the Consumer Price Index (CPI), relatively modest growth in the Wage Price Index (WPI)—including recent falls in the WPI for industries affected disproportionately by NMW determinations such as Accommodation and Food Services and Retail Trade—persistently low unemployment, ongoing employment growth,

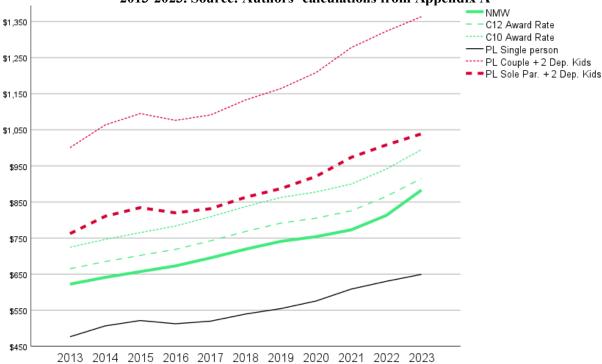
positive job creation, rising profitability and falling real unit labour costs. Appendix A offers a systematic update of NPL data as the basis for calculations used to determine a fair and reasonable NMW determination for 2024. As mentioned above, Appendix B offers new data on working poverty in relation to the most up-to-date information from the 2021 National Census.

2. The Case for a Further Significant Rise in the National Minimum Wage

ACCER commends the FWC for its 2023 NMW determination in addressing the cost-of-living crisis in Australia, especially as it relates to low-income earners and as detailed in our 2023 submission. This report reiterates and lends new substance to the argument in ACCER previous submissions that significant increases in the NMW should not be based solely on a balanced analysis of competing economic and social indicators at the time of determination but *also* on a longer-term rationale for meeting the FWC's obligations to maintain and strengthen a safety-net for low-income earners by using NMW determinations to address working poverty over the long-term. The problem of working poverty in Australia is exemplified by the unacceptably and historically large gap between the NMW and the National Poverty Line (NPL), especially for different categories of households with dependents. As has been demonstrated in ACCER's most recent two submissions, the experience of comprehensive fiscal expansion during the peaks of the COVID-19 pandemic have shown that it is possible to address working poverty via a range of measures, including unemployment benefits and other welfare transfers (see DAE/ACOSS, 2020; Cortis and Blaxland, 2020; ACOSS, 2021). We continue to contend that such measures can and should include NMW determinations.

As ACCER has long argued, the role of the NMW as a safety net should approximate the concept of a decent standard of living, one which is substantiated by the measure of relative poverty set at 60 percent of Median Equivalised Household Disposable Income (MEHDI). Figure 2.1 reports annual changes in NMW decisions, as well as changes in C12 and C10 award rates, over the past decade as they relate to changes in the NPL for different household categories: single person households, couples with two dependent children, and sole parents/carers with two dependent children. As per the practice in previous ACCER submissions, calculations of NPL scenarios for each household type are derived by combining data from the ABS Survey of Household Income and Wealth with backdated calculations for Household Disposable Income (HDI) per capita taken from annual reports of Poverty Lines Australia (Melbourne Institute, 2023). Full updated data and calculations are documented in Appendix A which provide estimates for the most recently available data (January 2024). Although the NMW remains sufficient for single-person households from a poverty-line perspective, it remains woefully inadequate in addressing working poverty for multi-person households with dependents. Our updated analysis shows, furthermore, that the C12 and C10 award rates also fall short in terms of addressing working poverty for these cohorts (Figure 2.1).

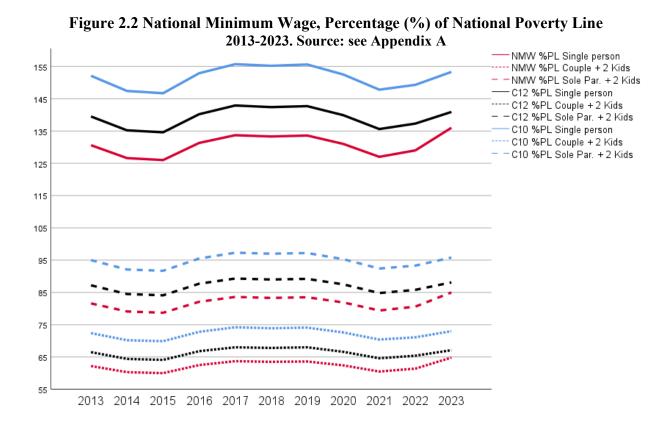




The size of the gap between the NMW and the NPL for multi-person households and families is expressed most clearly in percentage terms. The NPL for single person households was an average of 30.8 percent above the NMW over the decade to 2023; however, the NPL for couples with two children was an average of 62.3 percent *below* the NMW for this period. For sole parents/carers with two children, the corresponding gap was 81.7 percent below the NMW (Figure 2.2; also see Figures 2.5 and 2.4 respectively). The ratio of NPLs to the NMW in fact declined from this historically low base in the latter half of the 2010s. Higher NMW determinations for 2022 and, especially, 2023 helped to reduce this ratio—a welcome step in addressing working poverty (see Figure 2.3). Nevertheless, even with the welcome impact of the 2023 outcome, the NMW remains well short of the FWC's safety-net mandate in addressing this serious national problem.

Even when we include the higher C12 and C10 award rates, the problem remains—these rates do not address working poverty for couple or sole parents/carers with dependent children (for those in the latter category, see Figures 2.6 and 2.8; for those in the former category, see Figures 2.7 and 2.9). Moreover, the gap between the NMW and the NPL for these categories remains so large that its elimination in 2024 would require a one-off increase of 54.4% (by \$480.52) for a couple with two dependent children, and 17.7% (or \$155.92) for a sole parent/carer with two dependent children (cf. Figure 2.2).

Evidently, the task of addressing working poverty for people in both categories remains significant, especially in the former case where there is an intergenerational, place-based entanglement between low wages, unemployment and socio-economic disadvantage which is extremely difficult to address without a comprehensive response which transcends any single initiative, including wage determinations. Nevertheless, the task of eliminating working poverty for those in the latter category—single parents/carers with dependents—is feasibly within reach if we are collectively willing to correctly recognise the historical role of NMW determinations over the longer term. As we have long argued, this goal can be achieved gradually over several years in the interests of social and economic balance. In this report, we demonstrate that it can be realistically achieved by the end of the current decade.



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Figure 2.3 Annual Change (%), National Minimum Wage, C12-C10 Award Rates & National Poverty Line

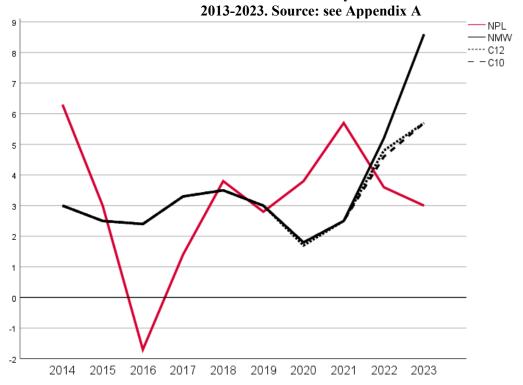
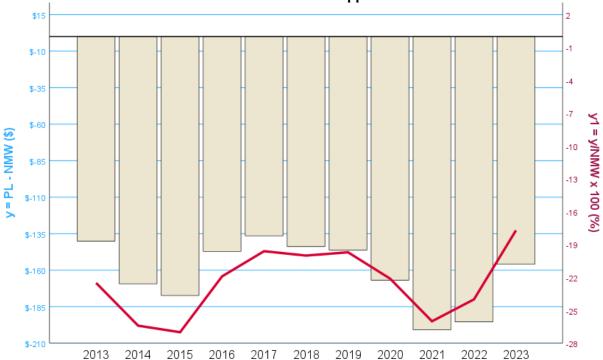
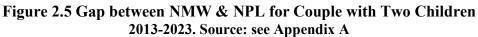


Figure 2.4 Gap between NMW & NPL for Single Parent/Carer with Two Children 2013-2023. Source: see Appendix A





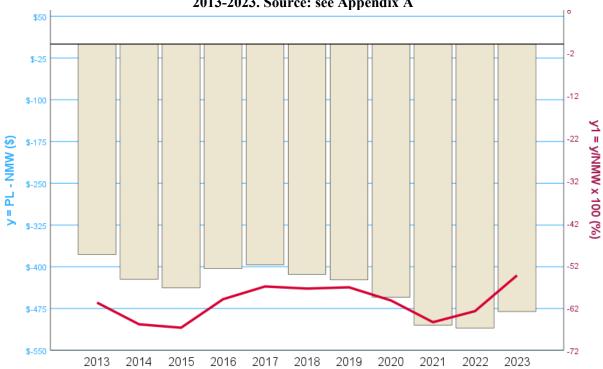


Figure 2.6 Gap between C12 Award Rate & NPL for Single Parent/Carer with Two Children

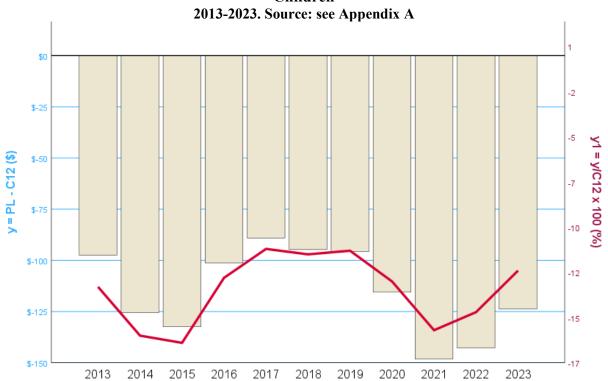


Figure 2.7 Gap between C12 Award Rate & NPL for Couple with Two Children 2013-2023. Source: see Appendix A

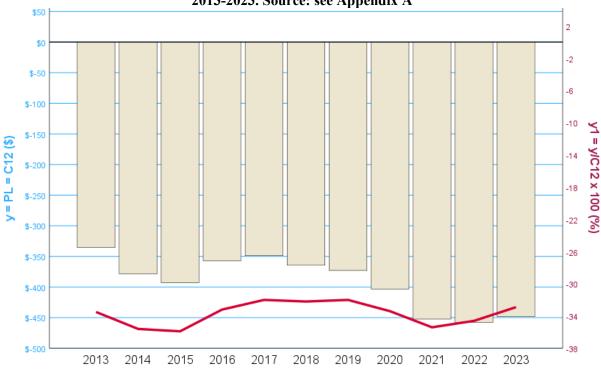
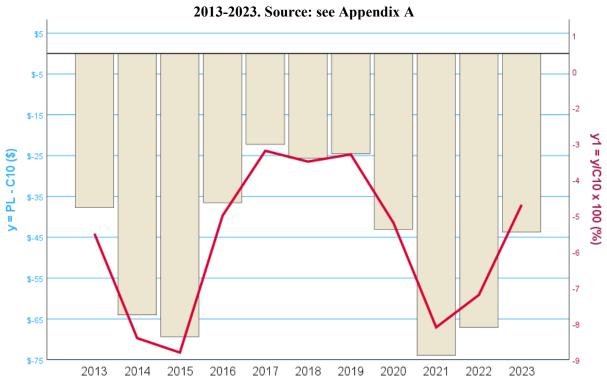


Figure 2.8 Gap between C10 Award Rate & NPL for Single Parent/Carer with Two Children



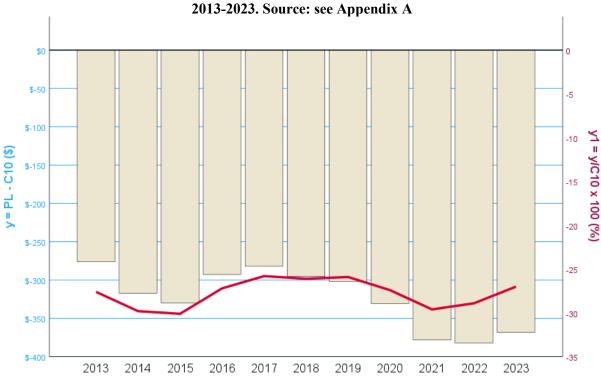


Figure 2.9 Gap between C10 Award Rate & NPL for Couple with Two Children

To demonstrate the mechanism for eliminating the poverty gap for sole parents/carers with two dependent children—and substantially reducing the poverty gap for couples with dependent children—we begin by averaging decadal trends in the (nominal) NPL. Over the 10 years to 2024, the NPL increased by an annual average of 2.3 percent. Over the most recent 5 years (to 2024), the NPL increased by an annual average of 2.7 percent (Figure 2.10). These findings generate useful comparative trend lines for projecting changes in the NMW, as demonstrated below.

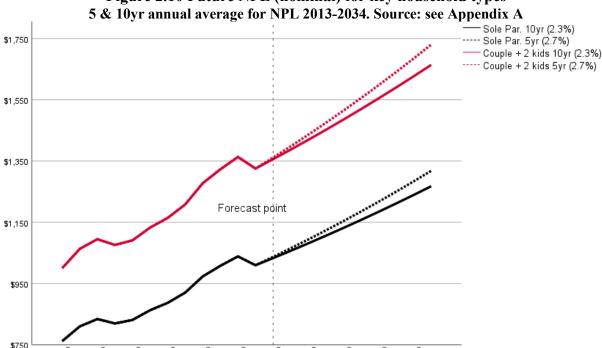


Figure 2.10 Future NPL (nominal) for key household types

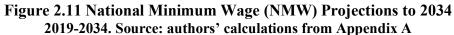
These trend lines are then measured against trend data for the NMW in the past decade to generate forecasts for the NMW from 2023 until 2034 based upon scenarios with different growth assumptions. For purposes of comparison, the NMW increased by an annual average of 3.6 percent in the 10 years to 2023. In the most recent years, the NMW increased by an annual average of 4.2 percent. By combining data from these NPL and NMW trends, projections for the NMW based upon different simulations are outlined in Figure 2.11. Projections are based upon data presented in Table 2.1, which are derived from fully up-to-date and re-calculated datasets presented in Appendix A.

As argued in ACCER's 2023 submission, such historical data shows that average annual increases in the NMW (i.e., in the order of 3.6-4.2 percent) would fail to meet the NPL for any household category within the next decade (and beyond). Prior to the FWC's 2023 NMW determination, ACCER argued that an increase of 7.2 percent in the NMW could be framed as a first step in addressing this shortfall by 2030. Ultimately, the FWC's determination was based upon a 5.7 percent in the nominal rate as well as a changed in classification from the C14 to the C13 award rate which, in total, represented a 'real world' increase of 8.6%. This outcome has made it even more feasible to reduce the poverty gap for low-income households, and to eliminate this gap for single parents/carers with two dependent children. This possibility is demonstrated in Table 2.1 (see green-coloured cells), which shows that an annual average increase of 4.9 percent, commencing in 2024, could eliminate the poverty gap for workers in this category by 2029, i.e., by the end of this decade (though still falling well short for couples with

two dependent children, despite narrowing the poverty gap for this cohort). An additional benefit of this rate of increase is that, even if the NPL increases at a lower annual average rate for the forecast period (e.g., 2.3 rather than 2.7 percent), it would *still* eliminate the poverty gap for single parents/carers with two dependent children by 2029. The key projected trend (i.e., assuming a 2.7 percent annual average increase in the NPL) is represented by the green reference line in Figure 2.11, in comparison to smaller projected changes in the NMW based upon different historical trend lines in award rates and the NPL.

The proposal for a 4.9 percent increase in the NMW for 2024 contrasts with projected changes which do not exceed short-term forecasts for the Consumer Price Index (CPI). Assuming June Quarter forecasts from the most recent Reserve Bank of Australia (RBA) Statement on Monetary Policy (RBA, 2024), this scenario would see a 3.3 percent increase in the NMW for 2024 (Figure 2.12). As Figure 2.11 shows, a projection based upon a slightly higher increase of 3.5 percent would fail to address the poverty gap for any low-income household. It is instructive to also note that the RBA's most recent forecasts are far more conservative than 12 months earlier (cf. RBA, 2023) when it predicted an annual inflation rate of 3.6 percent for the June Quarter of 2024, or 0.3 percentage points higher than its most recent statement (RBA, 2024). As we argue below, the proposed increase in the NMW of 4.9 percent is broadly in line with expected CPI trends and comfortably affordable from a macroeconomic perspective.

Of course, these findings are based upon linear extrapolation of NPL trends. Like all price changes, neither the NPL nor the NMW change in a linear fashion over time. For this reason, ACCER has argued that a degree of flexible pragmatism can be applied in addressing the historical goal of minimising working poverty. Whereas a much larger increase in the NMW was justifiable in 2023 due to the severity of cost-of-living challenges, a more modest increase is recommended for 2024 in line with revised price forecasts, while remaining cognisant of ongoing cost-of-living challenges for low-income households.



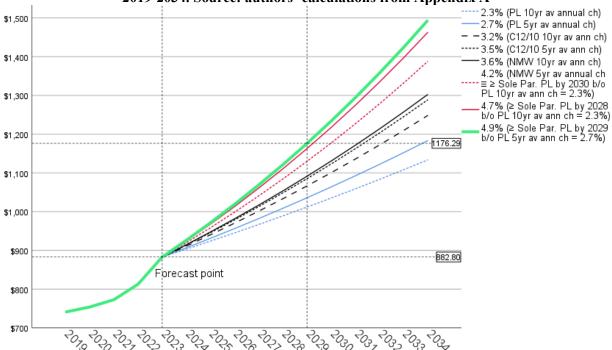


Figure 2.12 NMW Projection based on RBA Inflation Forecast June Quarter forecasts 2024-2026. Source: authors' calculation from RBA (2024)

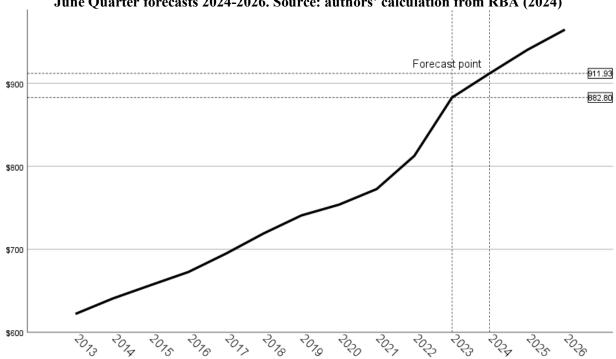
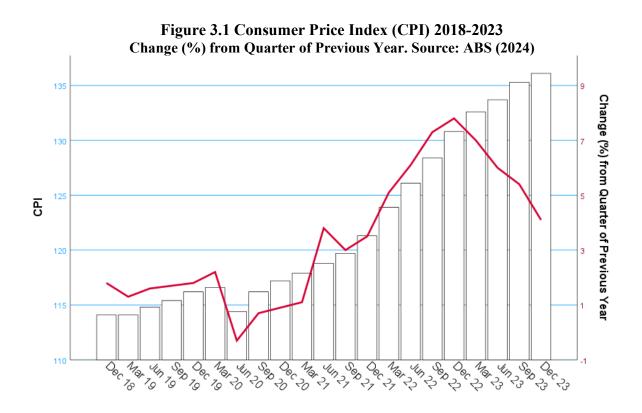


Table 2.1 Forecast Data and Simulated Growth Scenarios for National Minimum Wage (NMW)											
					Fore	cast (\$AU)	for			,	
			NMW a	assuming Sc	enario	, , , ,			PL assumi	ng Scenario	١
				Couple + 2 dep. kids Sole par. + 2 dep. kids							
	(i) MW	(ii) MW	(iii) PL 5yr	(iv) PL	(1) MW ≥	(2) MW ≥	(3) MW ≥	(a) PL	(b) PL 5yr	(c) PL	(d) PL 5yr
Year	5yr μΔ/yr	10yr μΔ/yr	$\mu\Delta/yr =$	10yr μ∆/yr	PL by	PL by	PL by	10yr μΔ/yr	μΔ/yr =	10yr μΔ/yr	$\mu\Delta/yr =$
	= 4.2%	= 3.6%	2.7%	= 2.3%	20301	20281	2030 ²	= 2.3%	2.7%	= 2.3%	2.7%
2013	622.20	622.20	622.20	622.20	622.20	622.20	622.20	1000.44	1000.44	762.24	762.24
2014	640.90	640.90	640.90	640.90	640.90	640.90	640.90	1063.44	1063.44	810.24	810.24
2015	656.90	656.90	656.90	656.90	656.90	656.90	656.90	1094.94	1094.94	834.24	834.24
2016	672.70	672.70	672.70	672.70	672.70	672.70	672.70	1076.04	1076.04	819.84	819.84
2017	694.90	694.90	694.90	694.90	694.90	694.90	694.90	1091.16	1091.16	831.36	831.36
2018	719.20	719.20	719.20	719.20	719.20	719.20	719.20	1132.74	1132.74	863.04	863.04
2019	740.80	740.80	740.80	740.80	740.80	740.80	740.80	1164.24	1164.24	887.04	887.04
2020	753.80	753.80	753.80	753.80	753.80	753.80	753.80	1208.34	1208.34	920.64	920.64
2021	772.60	772.60	772.60	772.60	772.60	772.60	772.60	1277.64	1277.64	973.44	973.44
2022	812.60	812.60	812.60	812.60	812.60	812.60	812.60	1323.00	1323.00	1008.00	1008.00
2023	882.80	882.80	882.80	882.80	882.80	882.80	882.80	1363.32	1363.32	1038.72	1038.72
2024	919.88	914.58	906.64	903.10	919.88	924.29	926.06	1325.52	1325.52	1009.92	1009.92
2025	958.51	947.51	931.11	923.88	958.51	967.73	971.43	1356.01	1361.31	1033.15	1037.19
2026	998.77	981.62	956.25	945.12	998.77	1013.22	1019.03	1387.20	1398.06	1056.91	1065.19
2027	1040.72	1016.95	982.07	966.86	1040.72	1060.84	1068.97	1419.10	1435.81	1081.22	1093.95
2028	1084.43	1053.56	1008.59	989.10	1084.43	1110.70	1121.35	1451.74	1474.58	1106.09	1123.49
2029	1129.97	1091.49	1035.82	1011.85	1129.97	1162.90	1176.29	1485.13	1514.39	1131.53	1153.82
2030	1177.43	1130.79	1063.79	1035.12	1177.43	1217.56	1233.93	1519.29	1555.28	1157.55	1184.98
2031	1226.89	1171.49	1092.51	1058.93	1226.89	1274.78	1294.39	1554.23	1597.27	1184.18	1216.97
2032	1278.41	1213.67	1122.01	1083.29	1278.41	1334.70	1357.82	1589.98	1640.40	1211.41	1249.83
2033	1332.11	1257.36	1152.30	1108.20	1332.11	1397.43	1424.35	1626.55	1684.69	1239.27	1283.57
2034	1388.06	1302.63	1183.42	1133.69	1388.06	1463.11	1494.14	1663.96	1730.18	1267.78	1318.23
				μ = average;	Δ = change;	lassumes Scer	nario (c); ² assı	ımes Scenario	(d); note that	Scenario (1)	Scenario (i)
										ons based upor	

3. The Feasibility and Affordability of a Further Significant Rise in the National Minimum Wage from a Whole-of-Economy Perspective

In the 18 months leading up to this year's National Minimum Wage (NMW) determination, Australia has passed through a generationally significant cost-of-living crisis which has also impacted negatively on the low-paid and the working poor. While headline rates of inflation continue to abate after peaking in late 2022, thereby reframing the context for wage deliberations for this year, this crisis continues to manifest among the socially and economically disadvantaged who will be most directly affected by the NMW decision. At the same time, the general abatement in price rises generates the case for a more modest, if still significant increase in the NMW.

These conflicting issues are represented, first of all, by changes in the Consumer Price Index (CPI), the key measure used to calculate the rate of inflation. Figure 3.1 documents quarterly changes in the CPI over the most recent 5 years. These data show that the CPI began to increase sharply following the COVID-related economic downturns of 2020 and 2021. By December 2022, the rate of inflation peaked at its highest rate in over three decades (Figure 3.2). While prices have continued to rise since this peak, the annual rate of inflation has abated significantly, falling back to levels which were considered typical during the economic boom period of the mid-2000s.



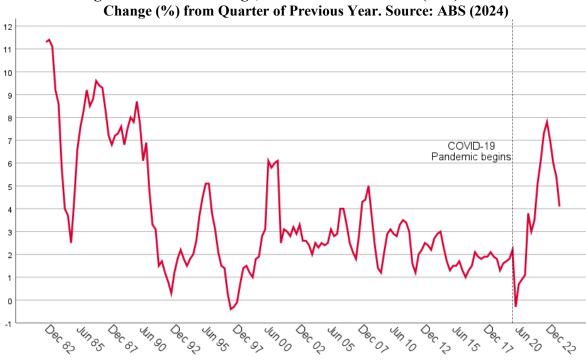
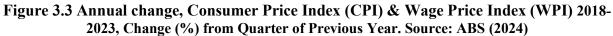


Figure 3.2 Annual change, Consumer Price Index (CPI) 1982-2023

For the first time in more than three years, changes in the CPI have begun to coalesce with changes in the Wage Price Index (WPI), which measures changes in the price of labour. This convergence follows a period in which sharp price increases significantly outpaced increases in wage costs for business (Figure 3.3). Recent changes, therefore, represent a return to the previous historical correlation between relative movements in the CPI and the WPI following this period of significant divergence. Notably, however, significant decline in CPI growth, from its peak of 7.8 percent in the December Quarter of 2022 to 4.1 percent in the corresponding quarter of 2023 does not appear to have been mollified by the historically significant scale of the 2023 NMW determination. No inflationary effects from this decision have been detected from a macroeconomic perspective—in fact, the reverse is reflected in, for example, ongoing and projected falls in the rate of inflation. This finding remains consistent when we disaggregate the WPI into sectors with a higher proportion of low-income employees. This demonstrates, for example, that the WPI in Accommodation and Food Services, and for Retail Trade, has fallen over the most recent 12 months (Figure 2.4). The finding on Accommodation and Food Services is especially significant given the finding from Tomlinson's (2024) analysis of the characteristics of employees on the NMW of a relatively high preponderance of NMW-reliant employees in this industry.



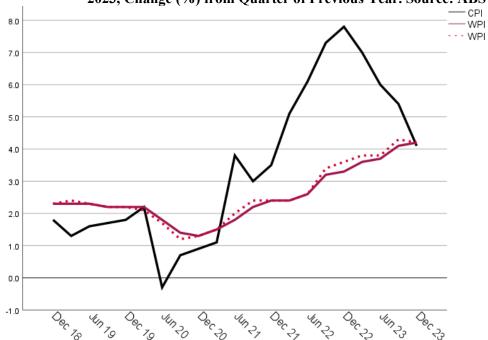
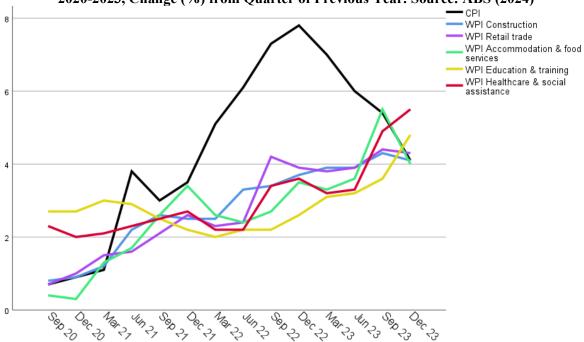
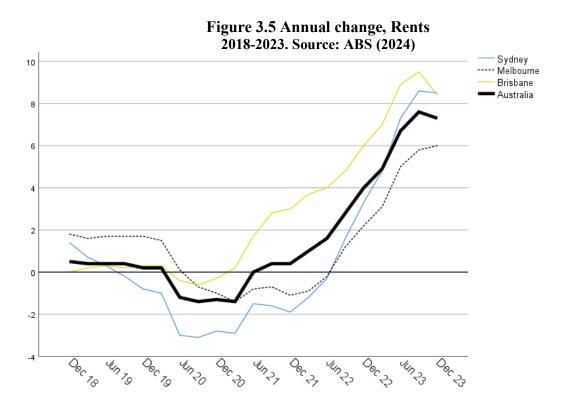


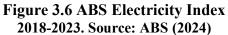
Figure 3.4 Annual change, CPI & WPI by select sector 2020-2023, Change (%) from Quarter of Previous Year. Source: ABS (2024)



Such changes to the WPI suggest that nominal wages growth remains modest at best, despite sharp fluctuations in CPI inflation over the past 12-24 months. Just as rising prices during the inflationary peak of 2022 were not caused by wage pressures, there should be no expectation that further significant rises in the NMW, or in C12 and C10 award rates, should have a negative impact on the economy from the perspective of inflationary pressures. As verified by Jericho and Stanford (2024) recently, there has been no correlation between inflation and NMW changes for a generation.

Conversely, and despite the abatement in headline inflation, the substantial penalty to low-income households due to the cost-of-living crisis has continued in terms of historically high prices for basic necessities and non-discretionary items. As demonstrated in ACCER's submission to the 2023 NMW case, household budgets remain dominated by housing costs and food costs. Furthermore, as demonstrated by Tomlinson (2024), NMW recipients are disproportionately young, female and based in relatively low-skill manual labouring occupations. The living standards of such individuals are especially sensitive to price changes in key categories such as rents, given that most non-dependant recipients of NMW-equivalent wages are excluded from home ownership, as well as household utilities and insurance costs. Despite recent mild abatement, rents have remained high after observing sharp increases from late 2021 until mid-2023 (Figure 3.5). For utilities, electricity prices have continued to climb despite new government rebates rolled out since 2022 (Figure 3.6). Inflation in insurance premiums has soared since mid-2022 (Figure 3.7). (For summary data of these changes across selected components of the CPI, see Figures 3.8 and 3.9 below.)





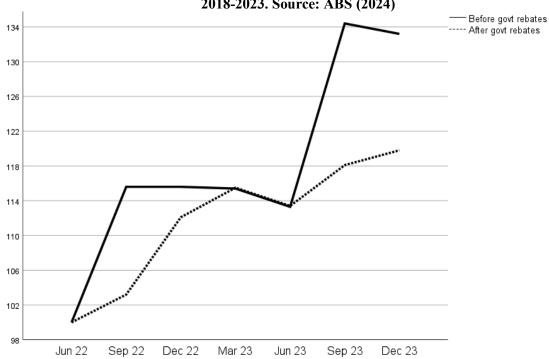


Figure 3.7 Annual Change (%), Insurance Premiums 2018-2023. Source: ABS (2024)

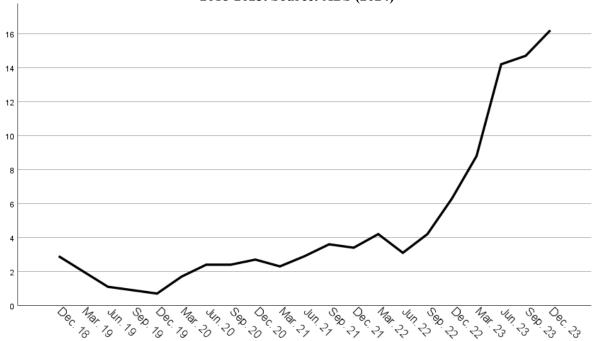


Figure 3.8 Consumer Price Index (CPI) by select key components 2021-2023. Source: ABS (2024)

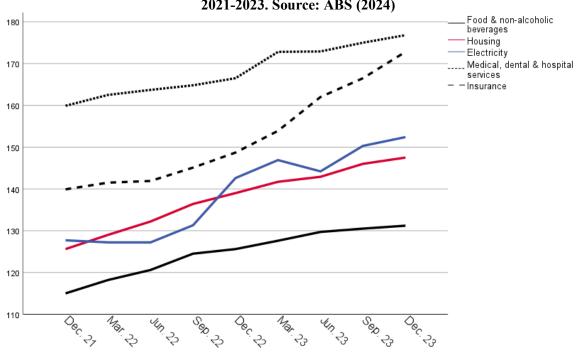
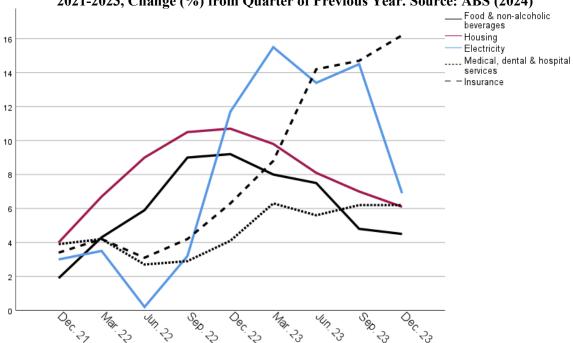


Figure 3.9 Annual change, CPI by select key components 2021-2023, Change (%) from Quarter of Previous Year. Source: ABS (2024)



Meanwhile, conditions for business remain positive overall, indicating a strong capacity to afford a further significant (if smaller) shift in the NMW. Macroeconomic indicators support this conclusion. Unemployment remains at a relatively low level by historical standards (Figure 3.10). Total employment growth slowed slightly in 2023 but remains positive (Figure 3.11). Job creation looks very positive overall, as observed in the Weekly Payroll Jobs Index (Figure 3.12). Company profits have trended upwards since early 2021 and grew significantly in the latter half of 2023 (Figure 3.13). Real unit labour costs, having fallen for decades, remain at historically low levels despite an increase in costs in 2023 (Figure 3.14).



Figure 3.11 Total Employment, '000s, 2019-2024 Source: ABS (2024b)

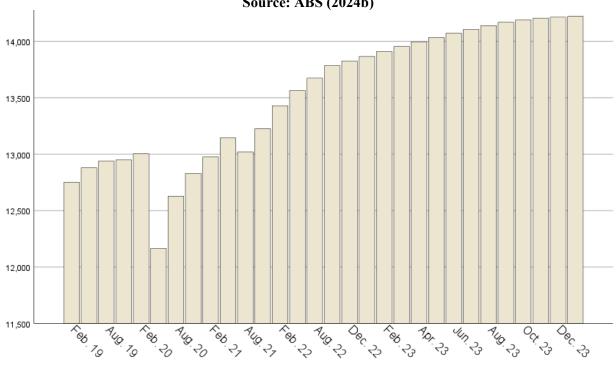


Figure 3.12 Weekly Payroll Jobs Index Jan 2022 – Nov 2023. Source: ABS (2023c)

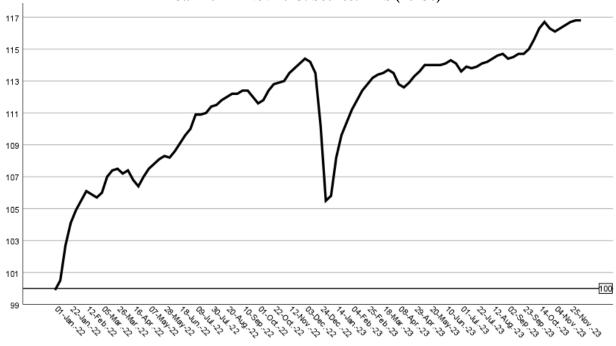


Figure 3.13 Gross Operating Profits and Company Profits Before Tax, 2021-2024 Quarterly, current \$ million, seasonally adjusted. Source: ABS (2024d)

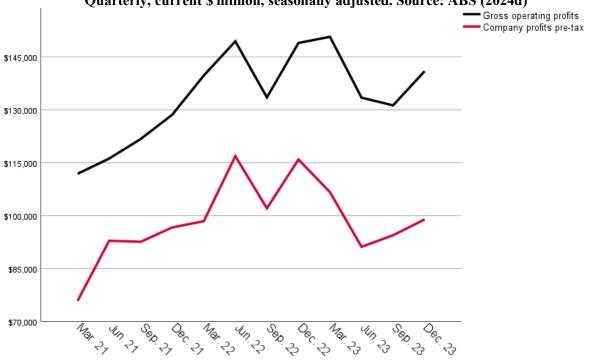
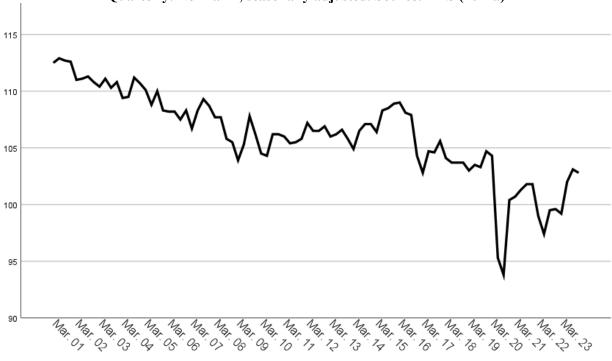


Figure 3.14 Index of Real Unit Labour Costs, 2001-2024 Quarterly. Non-farm, seasonally adjusted. Source: ABS (2024a)



The key point here is that a relatively positive business environment has persisted, including ongoing jobs growth, despite the economy's emergence from a period of high costs, supply chain pressures, and moderately rising wage costs (albeit in the longer-term context of historically low wages growth). Importantly, such conditions have persisted in the context of a rising trajectory in NMW determinations, including 2022's inflation-equivalent increase and 2023's real wage rise and award rate reclassification. Both decisions—2023 in particular—represent a welcome shift from the perspective of the working poor and socially disadvantaged without undermining macroeconomic performance in the wider economy or business conditions in general, including jobs growth.

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Appendix A

Measures of Living standards

List of Tables

Table A1	Median equivalised disposable household income January 2001 – January 2024
Table A2	Relative living standards single workers without children January 2001 – January 2024
Table A3	Relative living standards of Couple parent families with two children January 2001 – January 2024
Table A4	Relative living standards of Sole parent with two children families January $2001-$ January 2024
Table A5	60% of median poverty lines for workers and families January 2001 – January 2024
Table A6	Wages, taxes and family payments for NMW-dependent workers and families January $2001-\mbox{January}\ 2024$
Table A7	Wages, taxes and family payments for C12-dependent workers and families January $2001-\mbox{January}\ 2024$
Table A8	Wages, taxes and family payments for C10-dependent workers and families January $2001-\mbox{January}\ 2024$
Table A9	Selected minimum wage rates as ratios of median earnings in main job August 1997 - August 2023
Table A10	Safety net rates compared to Average Weekly Earnings November 2001 – November 2023
Table A11	Disposable incomes of safety net families and national Household Disposable Income Couple parent and sole parent families with two children) January 2001 – January 2024
Table A12	Safety Net Wages and Household Disposable Income – Single worker April 1997 – January 2024
Table A13	Ratio of disposable income of selected households to their 60 per cent of median income poverty lines September 2023

Table A1
Median equivalised disposable household income
January 2001 – January 2024

	(\$ per week)										
	Median equivalised disposable household income (ABS)	Household Disposable Income per head (Melbourne Institute)	Median equivalised disposable household income (MEDHI)								
January 2001	403.00	408.76	403.00								
January 2002	-	450.08	444.00								
January 2003	449.00	443.31	449.00								
January 2004	491.00	469.99	491.00								
January 2005	-	503.05	526.00								
January 2006	564.00	519.49	564.00								
January 2007	-	563.45	612.00								
January 2008	688.00	602.36	688.00								
January 2009	-	669.83	765.00								
January 2010	714.00	667.79	714.00								
January 2011	-	711.51	761.00								
January 2012	791.00	746.71	791.00								
January 2013	-	749.45	794.00								
January 2014	844.00	777.69	844.00								
January 2015	-	800.40	869.00								
January 2016	854.00	800.12	854.00								
January 2017	-	811.25	866.00								
January 2018	899.00	828.76	899.00								
January 2019	-	851.99	924.00								
January 2020	959.00	870.20	959.00								
January 2021	-	919.71	1014.00								
January 2022	-	952.96	1050.00								
January 2023	-	981.36	1082.00								
January 2024	-	954.91	1052.00								

Household Disposable Income (HDI) per head figures for January 2001 to January 2023 are taken from Poverty Lines Australia published by the Melbourne Institute, September Quarter 2023, the latest available publication in this series. The figure used for each January is the published figure for the immediately preceding December quarter. The HDI estimate for January 2024 is the published figure for September 2023. The next in this series, covering the December Quarter 2023, is due to be published in April 2024.

The median equivalised disposable household income figures (ABS) are taken from Household Income and Wealth, Australia, 2019-20. The financial year figures calculated by the ABS have been used for each January within the survey periods, from January 2001 to January 2020. As the published figures for those years are in 2018-19 prices, the earlier years have been re-calculated for nominal rate, using CPI adjustments and rounded to the nearest dollar. For the years, 2008 to 2020, the disclosed price adjustments in Table 1.1 are used. For the years 2001 to 2006, the CPI factor in the previous release (Household Income and Wealth, Australia, 2017-18) are used, multiplied by the CPI factor for 2017-18 in the current release (2019-20), rounded to 3 decimal places.

The MEHDI figure for periods intervening ABS data releases from January 2002 to January 2024 are calculated by multiplying the most recent ABS calculated figure by the relative change in HDI between the two periods. The MEDHI figures for 2022 to 2024 are calculated by applying the relative HDI increase from the 2020 figures. Consistent with the ABS practice, the figures for the years not covered by the ABS surveys have been rounded to the nearest dollar.

Table A2
Relative living standards single workers without children
January 2001 – January 2024

Year	Median equivalised disposable household income (MEDHI)	NMW Disposable income		C1 Disposable		C10 Disposable income		
January 		\$ per week	% of MEDHI	\$ per week	% of MEDHI	\$ per week	% of MEDHI	
2001	403.00	346.38	86.0%	370.50	91.9%	406.53	100.9%	
2002	444.00	354.76	79.9%	380.05	85.6%	416.81	93.9%	
2003	449.00	366.37	81.6%	391.74	87.2%	429.14	95.6%	
2004	491.00	377.93	77.0%	408.93	83.3%	444.77	90.6%	
2005	526.00	396.78	75.4%	421.18	80.1%	457.78	87.0%	
2006	564.00	412.84	73.2%	438.14	77.7%	475.40	84.3%	
2007	612.00	449.93	73.5%	475.17	77.6%	510.94	83.5%	
2008	688.00	467.59	68.0%	500.28	72.7%	538.06	78.2%	
2009	765.00	494.29	64.6%	526.67	68.8%	570.03	74.5%	
2010	714.00	497.17	69.6%	529.54	74.2%	572.90	80.2%	
2011	761.00	521.86	68.6%	553.15	72.7%	596.56	78.4%	
2012	791.00	537.49	68.0%	569.59	72.0%	614.52	77.7%	
2013	794.00	556.87	70.1%	589.96	74.3%	636.14	80.1%	
2014	844.00	569.44	67.5%	603.31	71.5%	648.47	76.8%	
2015	869.00	581.11	66.9%	615.71	70.9%	658.72	75.8%	
2016	854.00	593.75	69.5%	629.22	73.7%	670.69	78.5%	
2017	866.00	606.23	70.0%	641.07	74.0%	682.48	78.8%	
2018	899.00	623.78	69.4%	656.23	73.0%	698.99	77.8%	
2019	924.00	647.10	70.0%	682.20	73.8%	731.61	79.2%	
2020	959.00	662.54	69.1%	698.65	72.9%	749.55	78.2%	
2021	1,014.00	681.67	67.2%	723.48	71.3%	781.05	77.0%	
2022	1,050.00	705.04	67.1%	747.91	71.2%	804.76	76.6%	
2023	1,082.00	716.94	66.3%	755.59	69.8%	804.03	74.3%	
2024	1,052.00	766.85	72.9%	787.39	74.8%	838.66	79.7%	

Note: The MEDHI calculations are taken from Table A1. The disposable incomes in the three columns are taken from Tables A6 to A8.

Table A3
Relative living standards of couple parent families with two children
January 2001 – January 2024

Year	Median equivalised disposable	NMW Disposable income		C1 Disposable		C10 Disposable income		
January 	household income (MEDHI)	\$ per week	% of MEDHI	\$ per week	% of MEDHI	\$ per week	% of MEDHI	
2001	846.30	553.80	65.4%	578.51	68.4%	615.33	72.7%	
2002	932.40	573.16	61.5%	599.04	64.2%	636.62	68.3%	
2003	942.90	591.41	62.7%	617.37	65.5%	655.59	69.5%	
2004	1,031.10	609.60	59.1%	641.18	62.2%	677.84	65.7%	
2005	1,104.60	663.43	60.1%	685.48	62.1%	722.90	65.4%	
2006	1,184.40	686.40	58.0%	714.28	60.3%	752.36	63.5%	
2007	1,285.20	731.95	57.0%	757.77	59.0%	794.36	61.8%	
2008	1,444.80	758.09	52.5%	793.37	54.9%	831.97	57.6%	
2009	1,606.50	796.03	49.6%	828.89	51.6%	873.07	54.3%	
2010	1,499.40	808.36	53.9%	841.31	56.1%	885.49	59.1%	
2011	1,598.10	840.44	52.6%	872.32	54.6%	916.54	57.4%	
2012	1,661.10	864.41	52.0%	897.12	54.0%	942.89	56.8%	
2013	1,667.40	915.54	54.9%	949.25	56.9%	996.30	59.8%	
2014	1,772.40	938.24	52.9%	973.05	54.9%	1,019.11	57.5%	
2015	1,824.90	961.70	52.7%	997.17	54.6%	1,041.41	57.1%	
2016	1,793.40	980.78	54.7%	1,017.15	56.7%	1,059.88	59.1%	
2017	1,818.60	973.71	53.5%	1,009.62	55.5%	1,052.18	57.9%	
2018	1,887.90	994.61	52.7%	1,026.31	54.4%	1,070.40	56.7%	
2019	1,940.40	1,013.16	52.2%	1,049.25	54.1%	1,100.04	56.7%	
2020	2,013.90	1,035.32	51.4%	1,072.44	53.3%	1,124.76	55.8%	
2021	2,129.40	1,060.72	49.8%	1,103.54	51.8%	1,162.56	54.6%	
2022	2,205.00	1,090.04	49.4%	1,133.96	51.4%	1,192.30	54.1%	
2023	2,272.20	1,118.02	49.2%	1,157.72	51.0%	1,206.16	53.1%	
2024	2,209.20	1,211.76	54.9%	1,232.94	55.8%	1,285.81	58.2%	

Note: The MEDHI calculations are taken from Table A1, multiplied by 2.1. The disposable incomes in the three columns are taken from Tables A6 to A8.

Table A4
Relative living standards of sole parent families with two children
January 2001 – January 2024

Year	Median equivalised disposable	NMW Disposable income		C1 Disposable		C10 Disposable income		
January 	household income (MEDHI)	\$ per week	% of MEDHI	\$ per week	% of MEDHI	\$ per week	% of MEDHI	
2001	644.80	553.80	85.9%	578.51	89.7%	615.33	95.4%	
2002	710.40	573.16	80.7%	599.04	84.3%	636.62	89.6%	
2003	718.40	591.41	82.3%	617.37	85.9%	655.59	91.3%	
2004	785.60	609.60	77.6%	641.18	81.6%	677.84	86.3%	
2005	841.60	663.43	78.8%	685.48	81.4%	722.90	85.9%	
2006	902.40	686.40	76.1%	714.28	79.2%	752.36	83.4%	
2007	979.20	731.95	74.7%	757.77	77.4%	794.36	81.1%	
2008	1,100.80	758.09	68.9%	793.37	72.1%	831.97	75.6%	
2009	1,224.00	796.03	65.0%	828.89	67.7%	873.07	71.3%	
2010	1,142.40	808.36	70.8%	841.31	73.6%	885.49	77.5%	
2011	1,217.60	840.44	69.0%	872.32	71.6%	916.54	75.3%	
2012	1,265.60	864.41	68.3%	897.12	70.9%	942.89	74.5%	
2013	1,270.40	915.54	72.1%	949.25	74.7%	996.30	78.4%	
2014	1,350.40	938.24	69.5%	973.05	72.1%	1,019.11	75.5%	
2015	1,390.40	961.70	69.2%	997.17	71.7%	1,041.41	74.9%	
2016	1,366.40	980.78	71.8%	1,017.15	74.4%	1,059.88	77.6%	
2017	1,385.60	973.71	70.3%	1,009.62	72.9%	1,052.18	75.9%	
2018	1,438.40	994.61	69.1%	1,026.31	71.4%	1,070.40	74.4%	
2019	1,478.40	1,013.16	68.5%	1,049.25	71.0%	1,100.04	74.4%	
2020	1,534.40	1,035.32	67.5%	1,072.44	69.9%	1,124.76	73.3%	
2021	1,622.40	1,060.72	65.4%	1,103.54	68.0%	1,162.56	71.7%	
2022	1,680.00	1,090.04	64.9%	1,133.96	67.5%	1,192.30	71.0%	
2023	1,731.20	1,118.02	64.6%	1,157.72	66.9%	1,206.16	69.7%	
2024	1,683.20	1,211.76	72.0%	1,232.94	73.2%	1,285.81	76.4%	

Note: The MEDHI calculations are taken from Table A1, multiplied by 1.6. The disposable incomes in the three columns are taken from Tables A6 to A8.

Table A5 60% median poverty lines for workers and families January 2001 – January 2024 (\$ per week)

		(\$ per week)		
	Median equivalised			
	disposable household		Poverty Line Couple	Poverty Line Sole
	income	Poverty Line Single	and 2 children	parent and 2 children
January 2001	403.00	241.80	507.78	386.88
January 2002	444.00	266.40	559.44	426.24
January 2003	449.00	269.40	565.74	431.04
January 2004	491.00	294.60	618.66	471.36
January 2005	526.00	315.60	662.76	504.96
January 2006	564.00	338.40	710.64	541.44
January 2007	612.00	367.20	771.12	587.52
January 2008	688.00	412.80	866.88	660.48
January 2009	765.00	459.00	963.90	734.40
January 2010	714.00	428.40	899.64	685.44
January 2011	761.00	456.60	958.86	730.56
January 2012	791.00	474.60	996.66	759.36
January 2013	794.00	476.40	1,000.44	762.24
January 2014	844.00	506.40	1,063.44	810.24
January 2015	869.00	521.40	1,094.94	834.24
January 2016	854.00	512.40	1,076.04	819.84
January 2017	866.00	519.60	1,091.16	831.36
January 2018	899.00	539.40	1,132.74	863.04
January 2019	924.00	554.40	1,164.24	887.04
January 2020	959.00	575.40	1,208.34	920.64
January 2021	1,014.00	608.40	1,277.64	973.44
January 2022	1,050.00	630.00	1,323.00	1,008.00
January 2023	1,082.00	649.20	1,363.32	1,038.72
January 2024	1,052.00	631.20	1,325.52	1,009.92

Note: Poverty lines are 60% of relevant MEDHI rate in tables A2-4.

Table A6
Wages, taxes and family payments for NMW-dependent workers and families
January 2001 – January 2024

	NMW Benefits							Dianagahla		
Year							FTB	FTB	Rental	Disposable income
	Weekly	Annual	Weekly	Medicare	FTB	FTB	A	В	assist.	meome
	Gross	Gross	Net	exemption	A	В	Supp.	Supp.	max.	
2001	400.40	20,893.00	346.38	6.00	116.20	34.79	-	-	50.43	553.80
2002	413.40	21,571.00	354.76	6.20	122.92	36.82	-	-	52.46	573.16
2003	431.40	22,510.00	366.37	6.47	126.70	37.94	_	-	53.93	591.41
2004	448.40	23,398.00	377.93	6.73	130.48	39.06	-	-	55.40	609.60
2005	467.40	24,389.00	396.78	7.01	133.56	39.97	23.50	5.81	56.80	663.43
2006	484.40	25,276.00	412.84	7.27	137.06	41.02	24.06	5.88	58.27	686.40
2007	511.86	26,709.00	449.93	7.68	140.84	42.14	24.76	6.02	60.58	731.95
2008	522.12	27,244.00	467.59	7.83	145.46	43.54	25.60	6.23	61.84	758.09
2009	543.78	28,374.00	494.29	8.16	151.34	44.87	26.30	6.44	64.63	796.03
2010	543.78	28,374.00	497.17	8.16	156.94	46.55	27.28	6.65	65.61	808.36
2011	569.90	29,737.00	521.86	8.55	160.30	47.53	27.84	6.79	67.57	840.44
2012	589.30	30,750.00	537.49	8.84	164.64	48.79	27.84	6.79	70.02	864.41
2013	606.40	31,642.00	556.87	9.10	193.25	50.53	27.84	6.79	71.16	915.54
2014	622.20	32,466.00	569.44	9.33	199.74	52.26	27.84	6.79	72.84	938.24
2015	640.90	33,442.00	581.11	12.82	204.51	53.66	27.84	6.79	74.97	961.70
2016	656.90	34,277.00	593.75	13.14	208.54	54.58	27.84	6.79	76.14	980.78
2017	672.70	35,101.00	606.23	13.45	186.99	55.49	27.84	6.79	76.92	973.71
2018	694.90	36,260.00	623.78	13.90	188.69	55.49	27.84	6.79	78.12	994.61
2019	719.20	37,528.00	647.10	14.38	182.21	54.13	28.82	7.00	79.52	1,013.16
2020	740.80	38,655.00	662.54	14.82	185.56	55.11	29.38	7.13	80.78	1,035.32
2021	753.80	39,333.00	681.67	15.08	188.91	56.09	29.94	7.27	81.76	1,060.72
2022	772.60	40,314.00	705.04	15.45	191.24	56.77	30.20	7.34	84.00	1,090.04
2023	812.60	42,401.00	716.94	16.25	197.96	58.73	31.34	7.62	89.18	1,118.02
2024	882.80	46,065.00	766.85	17.66	213.36	63.28	33.72	8.25	108.64	1,211.76

Notes: Data for years 2001 to 2021 are from ACCER's 2021 submission to the Annual Wage Review. National Minimum Wage rates, tax rates and tax offsets are as at 1 January of that year. Payments are calculated on the basis of the year being 52.18 weeks. NMW Net rate is NMW after tax, Medicare levy, and tax offsets. Disposable income assumes maximum benefits given two children aged 8 to 12. From 2013 to 2016, the FTB A payment included the Schoolkids Bonus. The two children are aged 8 to 12.

Table A7
Wages, taxes and family payments for C12-dependent workers and families
January 2001 – January 2024

		C12	` •		.					
Year	Weekly Gross	Annual Gross	Weekly Net	Medicare exemption	FTB A	FTB B	FTB A Supp.	FTB B Supp.	Rental assist. max.	Disposable income
2001	439.60	22,938.00	370.50	6.59	116.20	34.79	-	-	50.43	578.51
2002	452.60	23,617.00	380.05	6.79	122.92	36.82	-	-	52.46	599.04
2003	470.60	24,556.00	391.74	7.06	126.70	37.94	-	-	53.93	617.37
2004	487.60	25,443.00	408.93	7.31	130.48	39.06	-	-	55.40	641.18
2005	506.60	26,434.00	421.18	7.60	133.56	39.97	23.50	2.87	56.80	685.48
2006	523.60	27,321.00	438.14	7.85	139.06	41.02	24.06	5.88	58.27	714.28
2007	551.00	28,751.00	475.17	8.26	140.84	42.14	24.76	6.02	60.58	757.77
2008	561.26	29,287.00	500.28	8.42	147.46	43.54	25.60	6.23	61.84	793.37
2009	582.92	30,417.00	526.67	8.74	151.34	44.87	26.20	6.44	64.63	828.89
2010	582.92	30,417.00	529.54	8.74	156.94	46.55	27.28	6.65	65.61	841.31
2011	609.00	31,778.00	553.15	9.14	160.30	47.53	27.84	6.79	67.57	872.32
2012	629.70	32,857.00	569.59	9.45	164.64	48.79	27.84	6.79	70.02	897.12
2013	648.00	33,813.00	589.96	9.72	193.25	50.53	27.84	6.79	71.16	949.25
2014	664.80	34,689.00	603.31	9.97	199.74	52.56	27.84	6.79	72.84	973.05
2015	684.70	35,727.00	615.71	13.69	204.51	53.66	27.84	6.79	74.97	997.17
2016	701.80	36,620.00	629.22	14.04	208.54	54.58	27.84	6.79	76.14	1,017.15
2017	718.60	37,897.00	641.07	14.52	186.99	55.49	27.84	6.79	76.92	1,009.62
2018	742.30	38,733.00	656.23	14.85	186.99	55.49	27.84	6.79	78.12	1,026.31
2019	768.30	40,090.00	682.20	15.37	182.21	54.13	28.82	7.00	79.52	1,049.25
2020	791.30	41,290.00	698.65	15.83	185.56	55.11	29.38	7.13	80.78	1,072.44
2021	805.10	42,010.00	723.48	16.10	188.91	56.09	29.94	7.27	81.76	1,103.54
2022	825.20	43,059.00	747.91	16.50	191.24	56.77	30.20	7.34	84.00	1,133.96
2023	865.20	45,146.00	755.59	17.30	197.96	58.73	31.34	7.62	89.18	1,157.72
2024	914.90	47,739.00	787.39	18.30	213.36	63.28	33.72	8.25	108.64	1,232.94

Notes: Data for years 2001 to 2021 are from ACCER's 2021 submission to the Annual Wage Review. C12 rate is taken from Manufacturing and Associated Industries and Occupations Award [MA000010], as at 1 January. Payments are calculated on the basis of the year being 52.18 weeks. From 2013 to 2016, the FTB A payment included the Schoolkids Bonus. The children are aged 8 to 12.

Table A8
Wages, taxes and family payments for C10-dependent workers and families
January 2001 – January 2024

		C10	` 1	·						
Year	Weekly Gross	Annual Gross	Weekly Net	Medicare exemption	FTB A	FTB B	FTB A Supp.	FTB B Supp.	Rental assist. max.	Disposable income
2001	492.20	25,683.00	406.53	7.38	116.20	34.79	-	-	50.43	615.33
2002	507.20	26,466.00	416.81	7.61	122.92	36.82	-	-	52.46	636.62
2003	525.20	27,405.00	429.14	7.88	126.70	37.94	-	-	53.93	655.59
2004	542.20	28,292.00	444.77	8.13	130.48	39.06	-	-	55.40	677.84
2005	561.20	29,283.00	457.78	8.42	133.56	39.97	23.50	2.87	56.80	722.90
2006	578.20	30,170.00	475.40	8.67	139.06	41.02	24.06	5.88	58.27	752.36
2007	605.56	31,598.00	510.94	9.08	140.84	42.14	24.76	6.02	60.58	794.36
2008	615.82	32,133.00	538.06	9.24	147.46	43.54	25.60	6.23	61.84	831.97
2009	637.48	33,263.00	570.03	9.56	151.34	44.87	26.20	6.44	64.63	873.07
2010	637.48	33,263.00	572.90	9.56	156.94	46.55	27.28	6.65	65.61	885.49
2011	663.60	34,627.00	596.56	9.95	160.30	47.53	27.84	6.79	67.57	916.54
2012	686.20	35,806.00	614.52	10.29	164.64	48.79	27.84	6.79	70.02	942.89
2013	706.10	36,844.00	636.14	10.59	193.25	50.53	27.84	6.79	71.16	996.30
2014	724.50	37,804.00	648.47	10.87	199.74	52.56	27.84	6.79	72.84	1,019.11
2015	746.20	38,936.00	658.72	14.92	204.51	53.66	27.84	6.79	74.97	1,041.41
2016	764.90	39,912.00	670.69	15.30	208.54	54.58	27.84	6.79	76.14	1,059.88
2017	783.30	40,873.00	682.48	15.67	186.99	55.49	27.84	6.79	76.92	1,052.18
2018	809.10	42,219.00	698.99	16.18	186.99	55.49	27.84	6.79	78.12	1,070.40
2019	837.40	43,696.00	731.61	16.75	182.21	54.13	28.82	7.00	79.52	1,100.04
2020	862.50	45,005.00	749.55	17.25	185.56	55.11	29.38	7.13	80.78	1,124.76
2021	877.60	45,793.00	781.05	17.55	188.91	56.09	29.94	7.27	81.76	1,162.56
2022	899.50	46,936.00	804.76	17.99	191.24	56.77	30.20	7.34	84.00	1,192.30
2023	940.90	49,096.00	804.03	17.30	197.96	58.73	31.34	7.62	89.18	1,206.16
2024	995.00	51,919.00	838.66	19.90	213.36	63.28	33.72	8.25	108.64	1,285.81

Notes: Data for years 2001 to 2021 are from ACCER's 2021 submission to the Annual Wage Review. The C10 rate is taken from Manufacturing and Associated Industries and Occupations Award [MA000010], as at 1 January. Payments are calculated on the basis of the year being 52.18 weeks. From 2013 to 2016, the FTB A payment included the Schoolkids Bonus. The children are aged 8 to 12.

Table A9
Selected minimum wage rates as ratios of median earnings in main job
August 1997 - August 2023

	Median Earnings \$ per week	NMW		C1	2	C10		
Year August		\$ per week	% of median earnings	\$ per week	% of median earnings	\$ per week	% of median earnings	
1997	581.00	359.40	61.9%	398.60	68.6%	451.20	77.7%	
1998	615.00	373.40	60.7%	412.60	67.1%	465.20	75.6%	
1999	652.00	385.40	59.1%	424.60	65.1%	477.20	73.2%	
2000	694.00	400.40	57.7%	439.60	63.3%	492.20	70.9%	
2001	712.00	413.40	58.1%	452.60	63.6%	507.20	71.2%	
2002	750.00	431.40	57.5%	470.60	62.7%	525.20	70.0%	
2003	769.00	448.40	58.3%	487.60	63.4%	542.20	70.5%	
2004	800.00	467.40	58.4%	506.60	63.3%	561.20	70.2%	
2005	843.00	484.40	57.5%	523.60	62.1%	578.20	68.6%	
2006	900.00	511.86	56.9%	551.00	61.2%	605.56	67.3%	
2007	940.00	522.12	55.5%	561.26	59.7%	615.82	65.5%	
2008	1,000.00	543.78	54.4%	582.92	58.3%	637.48	63.7%	
2009	1,000.00	543.78	54.4%	582.92	58.3%	637.48	63.7%	
2010	1,050.00	569.90	54.3%	609.00	58.0%	663.60	63.2%	
2011	1,100.00	589.30	53.6%	629.70	57.2%	686.20	62.4%	
2012	1,150.00	606.40	52.7%	648.00	56.3%	706.10	61.4%	
2013	1,153.00	622.20	54.0%	664.80	57.7%	724.50	62.8%	
2014	1,208.00	640.90	53.1%	684.70	56.7%	746.20	61.8%	
2015	1,233.00	656.90	53.3%	701.80	56.9%	764.90	62.0%	
2016	1,250.00	672.70	53.8%	718.60	57.5%	783.30	62.7%	
2017	1,284.00	694.90	54.1%	742.30	57.8%	809.10	63.0%	
2018	1,344.00	719.20	53.5%	768.30	57.2%	837.40	62.3%	
2019	1,380.00	740.80	53.7%	791.30	57.3%	862.50	62.5%	
2020	1,430.00	753.80	52.7%	805.10	56.3%	877.60	61.4%	
2021	1,498.00	772.60	51.6%	825.20	55.1%	899.50	60.0%	
2022	1,508.00	812.60	53.9%	865.20	57.4%	940.90	62.4%	
2023	1,600.00	882.80	55.2%	914.90	57.2%	995.00	62.2%	

Notes: Over the period 1997 to 2021 the annual wage review decisions and their operative dates have varied. The Table assumes that the annual wage increase in each year was in operation before the month (August) in which the survey was undertaken. In 2006, 2007 and 2008 the wage increases came into operation after August.

Median earnings for years 2013 to 2023 are from the Commission's Statistical Report of 29 February 2024 (Version 1, Table 8.1). Median earnings for the years 1999 to 2009 are taken from the Commission's Statistical Report of 16 June 2011. Median earnings for the years 2010-2012 are taken from the Commission's Statistical Report of 11 June 2021 (Version 11, Table 8.1). The median earnings for 1997 are taken from Employee Earnings, Benefits and Trade Union Membership, Australia, August

1997, cat. no. 6310.0, page 30. The median earnings for 1998 are taken from Employee Earnings, Benefits and Trade Union Membership, Australia, August 1998, cat. no. 6310.0, page 30.

Table A10
Safety net rates compared to Average Weekly Earnings
November 1997-November 2023

Year	Average Weekly Ordinary Time Earnings (AWOTE)	NMW		C1	2	C10		
November		\$ per week	% of AWOTE	\$ per week	% of AWOTE	\$ per week	% of AWOTE	
1997	712.10	359.40	50.5%	398.60	56.0%	451.20	63.4%	
1998	739.30	373.40	50.5%	412.60	55.8%	465.20	62.9%	
1999	760.20	385.40	50.7%	424.60	55.9%	477.20	62.8%	
2000	798.80	400.40	50.1%	439.60	55.0%	492.20	61.6%	
2001	843.10	413.40	49.0%	452.60	53.7%	507.20	60.2%	
2002	882.20	431.40	48.9%	470.60	53.3%	525.20	59.5%	
2003	929.60	448.40	48.2%	487.60	52.5%	542.20	58.3%	
2004	964.90	467.40	48.4%	506.60	52.5%	561.20	58.2%	
2005	1014.50	484.40	47.7%	523.60	51.6%	578.20	57.0%	
2006	1045.40	511.86	49.0%	551.00	52.7%	605.56	57.9%	
2007	1100.70	522.12	47.4%	561.26	51.0%	615.82	55.9%	
2008	1158.50	543.78	46.9%	582.92	50.3%	637.48	55.0%	
2009	1225.20	543.78	44.4%	582.92	47.6%	637.48	52.0%	
2010	1274.10	569.90	44.7%	609.00	47.8%	663.60	52.1%	
2011	1333.40	589.30	44.2%	629.70	47.2%	686.20	51.5%	
2012	1392.80	606.40	43.5%	648.00	46.5%	706.10	50.7%	
2013	1437.20	622.20	43.3%	664.80	46.3%	724.50	50.4%	
2014	1474.50	640.90	43.5%	684.70	46.4%	746.20	50.6%	
2015	1499.90	656.90	43.8%	701.80	46.8%	764.90	51.0%	
2016	1532.00	672.70	43.9%	718.60	46.9%	783.30	51.1%	
2017	1567.70	694.90	44.3%	742.30	47.3%	809.10	51.6%	
2018	1606.60	719.20	44.8%	768.30	47.8%	837.40	52.1%	
2019	1659.30	740.80	44.6%	791.30	47.7%	862.50	52.0%	
2020	1712.20	753.80	44.0%	805.10	47.0%	877.60	51.3%	
2021	1749.50	772.60	44.2%	825.20	47.2%	899.50	51.4%	
2022	1805.70	812.60	45.0%	865.20	47.9%	940.90	52.1%	
2023	1886.50	882.80	46.8%	914.90	48.5%	995.00	52.7%	

Notes: Until 2005, wage increases were awarded in the first half of the calendar year. In 2006 wage increases awarded by the Australian Fair Pay Commission commenced in December 2006 and subsequent wage increases awarded by it commenced by November. Decisions from 2010 have taken effect on 1 July.

AWOTE data is from ABS Average Weekly Earnings, category number 6302.0, trend data for all persons, full time, adult, ordinary time earnings, as at November in the relevant year. Table 1 of November 2023 release covers years 2012 to 2023 (A84990044V). Table 1 of November 2011 release covers years 1997 to 2011 (A2810223V).

Table A11
Disposable incomes of safety net families and national
Household Disposable Income

(Couple parent and sole parent families with two children)

January 2001-January 2024

(\$ per week, unless stated)

	Household Disposable	NMW l Disposabl		C12 F Disposabl		C10 Family Disposable income		
Year January	Income	Disposabl	ic income	Disposabl	ic income	Disposabl	ic income	
January	per head	\$ per week	% of HDI	\$ per week	% of HDI	\$ per week	% of HDI	
	(HDI)							
2001	408.76	553.80	135.5%	578.51	141.5%	615.33	150.5%	
2002	450.08	573.16	127.3%	599.04	133.1%	636.62	141.4%	
2003	443.31	591.41	133.4%	617.37	139.3%	655.59	147.9%	
2004	469.99	609.60	129.7%	641.18	136.4%	677.84	144.2%	
2005	503.05	663.43	131.9%	685.48	136.3%	722.90	143.7%	
2006	519.49	686.40	132.1%	714.28	137.5%	752.36	144.8%	
2007	563.45	731.95	129.9%	757.77	134.5%	794.36	141.0%	
2008	602.36	758.09	125.9%	793.37	131.7%	831.97	138.1%	
2009	669.83	796.03	118.8%	828.89	123.7%	873.07	130.3%	
2010	667.79	808.36	121.1%	841.31	126.0%	885.49	132.6%	
2011	711.51	840.44	118.1%	872.32	122.6%	916.54	128.8%	
2012	746.71	864.41	115.8%	897.12	120.1%	942.89	126.3%	
2013	749.45	915.54	122.2%	949.25	126.7%	996.30	132.9%	
2014	777.69	938.24	120.6%	973.05	125.1%	1,019.11	131.0%	
2015	800.40	961.70	120.2%	997.17	124.6%	1,041.41	130.1%	
2016	800.12	980.78	122.6%	1,017.15	127.1%	1,059.88	132.5%	
2017	811.25	973.71	120.0%	1,009.62	124.5%	1,052.18	129.7%	
2018	828.76	994.61	120.0%	1,026.31	123.8%	1,070.40	129.2%	
2019	851.99	1,013.16	118.9%	1,049.25	123.2%	1,100.04	129.1%	
2020	870.20	1,035.32	119.0%	1,072.44	123.2%	1,124.76	129.3%	
2021	919.71	1,060.72	115.3%	1,103.54	120.0%	1,162.56	126.4%	
2022	952.96	1,090.04	114.4%	1,133.96	119.0%	1,192.30	125.1%	
2023	981.36	1,118.02	113.9%	1,157.72	118.0%	1,206.16	122.9%	
2024	954.91	1,211.76	126.9%	1,232.94	129.1%	1,285.81	134.7%	

Notes: Household Disposable Income (HDI) figures have been calculated by the Melbourne Institute; see Table A1. The disposable incomes for families dependent on the NMW, C12 and C10 wage rates are taken from Tables A6, A7 and A8, respectively. Note the disposable incomes for both families are the same because they receive the same amount of family payments.

Table A12
Safety Net Wages and Household Disposable Income – Single worker
April 1997–January 2024

Year	Household Disposable Income		NMW		C10			
January	per head (HDI)	gross	net	net as % of HDI	gross	net	net as % of HDI	
1997	350.97	359.40	305.70	87.1%	451.20	367.96	104.8%	
1998	360.87	359.40	305.70	84.7%	451.20	367.96	102.0%	
1999	363.02	373.40	316.69	87.2%	465.20	376.43	103.7%	
2000	387.85	385.40	326.11	84.1%	477.20	384.03	99.0%	
2001	408.76	400.40	346.38	84.7%	492.20	406.53	99.5%	
2002	450.08	413.40	354.76	78.8%	507.20	416.81	92.6%	
2003	443.31	431.40	366.37	82.6%	525.20	429.14	96.8%	
2004	469.99	448.40	377.93	80.4%	542.20	444.77	94.6%	
2005	503.05	467.40	396.78	78.9%	561.20	457.78	91.0%	
2006	519.49	484.40	412.84	79.5%	578.20	475.40	91.5%	
2007	563.45	511.86	449.93	79.9%	605.56	510.94	90.7%	
2008	602.36	522.12	467.59	77.6%	615.82	538.06	89.3%	
2009	669.83	543.78	494.29	73.8%	637.48	570.03	85.1%	
2010	667.79	543.78	497.17	74.5%	637.48	572.90	85.8%	
2011	711.51	569.90	521.86	73.3%	663.60	596.56	83.8%	
2012	746.71	589.30	537.49	72.0%	686.20	614.52	82.3%	
2013	749.45	606.40	556.87	74.3%	706.10	636.14	84.9%	
2014	777.69	622.20	569.44	73.2%	724.50	648.47	83.4%	
2015	800.40	640.90	581.11	72.6%	746.20	658.72	82.3%	
2016	800.12	656.90	573.79	71.7%	764.90	670.70	83.8%	
2017	811.25	672.70	606.23	74.7%	783.30	682.48	84.1%	
2018	828.76	694.90	623.78	75.3%	809.10	698.99	84.3%	
2019	851.99	719.20	647.10	76.0%	837.40	731.61	85.9%	
2020	870.20	740.80	662.54	76.1%	862.50	749.55	86.1%	
2021	919.71	753.80	681.67	74.1%	877.60	781.05	84.9%	
2022	952.96	772.60	705.04	74.0%	899.50	804.76	84.4%	
2023	981.36	812.60	716.94	73.1%	940.90	804.03	81.9%	
2024	954.91	882.80	766.85	80.3%	995.00	838.66	87.8%	

Notes: The gross and net wages for 1997 are at April of that year following the decision of the Safety Net Review Case, April 1997. The HDIs for the period 2001 to 2023 are taken from Table A1 and are at January each year. The HDI for 1997 to 2000 are taken from Poverty Lines Australia: September Quarter 2023. The NMW column includes the FMW before 2010.

Table A13

Ratio of disposable income of selected households to their 60 per cent of median income poverty lines September 2023

Adapted from Table 8.6 of the Commission's Statistical Report of 29 February 2024

Household		60% median	Disposable in NMW-dej	` /	Disposable income (DI) C10-dependent		
	Household	income (PL, \$pw)	\$pw (derived)	Ratio DI:PL	\$pw (derived)	Ratio DI:PL	
1	Single adult	630.75	770.00	1.22	839.00	1.33	
2	Single parent working full time, 1 child	819.98	1,091.00	1.33	1,148.00	1.40	
3	Single parent working part time, 1 child	819.98	738.00	0.90	787.00	0.96	
4	Single parent working full time, 2 children	1,009.21	1,211.00	1.20	1,282.00	1.27	
5	Single parent working part time, 2 children	1,009.21	868.00	0.86	908.00	0.90	
6	Single-earner couple, one with Newstart/JobSeeker	946.13	1,069.00	1.13	1,069.00	1.13	
7	Single-earner couple	946.13	776.00	0.82	842.00	0.89	
8	Single-earner couple, one with Newstart/JobSeeker, 1 child	1,135.36	1,272.00	1.12	1,283.00	1.13	
9	Single-earner couple, 1 child	1,135.36	1,090.00	0.96	1,147.00	1.01	
10	Single-earner couple, one with Newstart/JobSeeker, 2 children	1,324.58	1,404.00	1.06	1,417.00	1.07	
11	Single-earner couple, 2 children	1,324.58	1,219.00	0.92	1,285.00	0.97	
12	Dual-earner couple	946.13	1,202.00	1.27	1,315.00	1.39	
13	Dual-earner couple, 1 child	1,135.36	1,419.00	1.25	1,499.00	1.32	
14	Dual-earner couple, 2 children	1,324.58	1,550.00	1.17	1,616.00	1.22	

The 60% median income poverty line (PL) data and ratios are taken from the Table 8.6 of the Commission's Statistical Report of 29 February 2024 (Version 1). The disposable incomes of NMW- and C10- dependent households are derived from the ratios, rounded to the nearest dollar. The Commission's notes to Table 8.6 are:

Poverty lines are based on estimates of median equivalised household disposable income in 2017–18 for September 2018 and 2019–20 for September 2022 and September 2023, adjusted for movements in household disposable income per head as calculated by the Melbourne Institute of Applied Economic and Social Research and for household composition using the modified OECD equivalence scale. C10 and C4 are minimum award rates set under the Manufacturing and Associated Industries and Occupations Award 2020. AWOTE data are expressed in original terms.

Assumptions: Tax-transfer parameters as at September 2018, September 2022 and September 2023. Wage rates for 2018: NMW = \$719.20 pw, C10 = \$837.40 pw, C4 = \$1005.90 and AWOTE of full-time adult employees = \$1605.50 pw. Wage rates for 2022: NMW = \$812.60 pw, C10 = \$940.90 pw, C4 = \$1130.30 pw and AWOTE of full-time adult employees = \$1807.70.

Wage rates for 2023: NMW = \$882.80 pw, C10 = \$995.00 pw, C4 = \$1195.30 pw and AWOTE of full-time adult employees = \$1888.80. Other assumptions as per Table 8.4. Source: ABS, Average Weekly Earnings, Australia, November 2023; ABS, Household Income and Wealth, Australia, 2017–18 financial year; ABS, Household Income and Wealth, Australia, 2019–20 financial year; Fair Work Commission modelling; Manufacturing and Associated Industries and Occupations Award 2020; Melbourne Institute of Applied Economic and Social Research, Poverty Lines: Australia, September quarter 2023.

Appendix B

The 2021 Census and low paid working families

List of Tables

Table B1	Census Income Levels and Estimated Poverty Lines, August 2021
Table B2	Census 2021 Working patterns of low income couple parent families
Table B3	Census 2021 Employment status of adults in low income couple parent families
Table B4	Census 2021 Total number of children and adults in low income couple parent families in or near poverty
Table B5	Working patterns of low income sole parent families
Table B6	Total number of children and adults in low income sole parent families in or near poverty
Table B7	Count of Couple Parent Families with Dependent Children, 2021
Table B8	Count of Sole Parent Families with Dependent Children, 2021
Table B9	Labour Force Status of Parents in Couple Parent Families with One Dependent Child in Family, 2021
Table B10	Labour Force Status of Parents in Couple Parent Families with Two Dependent Children in Family, 2021
Table B11	Labour Force Status of Parents in Couple Parent Families with Three or more Dependent Children in Family, 2021
Table B12	Labour Force Status of Parents in Sole Parent Families with One Dependent Child in Family, 2021
Table B13	Labour Force Status of Parents in Sole Parent Families with Two Dependent Children in Family, 2021
Table B14	Labour Force Status of Parents in Sole Parent Families with Three or more Dependent Children in Family, 2021
Table B15	Working patterns of couple parent families with one child, August 2021
Table B16	Working patterns of couple parent families with two children, August 2021
Table B17	Working patterns of couple parent families with three or more children, August 2021
Table B18	Working patterns of sole parent families with one child, August 2021
Table B19	Working patterns of sole parent families with two children, August 2021
Table B20	Working patterns of sole parent families with three or more children, August 2021
Table B21	2021 Census Labour Force Status of 15-19 year olds

The purpose of this Appendix is to draw on data from the national Census of 10 August 2021 to address two matters: the work patterns of low paid working families and the number of low paid working families in or at risk of poverty and without a decent standard of living.

This inquiry into Census data is child-centred, looking at the families in which dependent children live, the incomes of those families and the working patterns of the parents in those families, so as to better understand the needs of low paid workers with family responsibilities.

A focus on low paid workers and their families is consistent with the object of the FW Act to promote social inclusion (section 3) and is necessary for the Commission to carry out its obligation to establish and maintain a safety net of fair minimum wages, taking into account, among other matters, "relative living standards and the needs of the low paid" (section 284(1)).

The 2021 Census found that there were 2,424,689 couple parent families with dependent children (with over 4,594,881 dependent children) and 674,058 sole parent families with dependent children (with 1,147,794 dependent children), as well as 519,457 couple parent families and 394,202 sole parent families with no dependent children, as shown in tables B7 and B8. This Census data regarding families with dependent children can be broken down by the number of dependent children (with the largest category being six and more children), the incomes of the families and the labour force status of the couples and sole parents.

This appendix provides an insight into the lives of 289,642 couple parent families and 254,356 sole parent families with dependent children which we class as low income (see table B1), analysing according to income and labour force status. We exclude nil, negative, partially reported and non-stated incomes, which sum to 378,657 couple parent and 115,793 sole parent families. Table B7 shows that low paid families comprise 13.5 per cent of couple parent families with dependent children who reported a positive income, or around 15.8 per cent of children in those families. Table B8 shows that low paid families comprise 44.1 per cent of sole parent families with dependent children who reported a positive income, covering around 50.9 per cent of those children.

The basis upon which these low income families are identified is by the use of an estimate of the 60% relative poverty line for each type of family. The 60% relative poverty line is not a precise measure of poverty, but it is, at least, a risk of poverty line and, it is a conservative measure of the standard of living needed to secure a decent standard of living in contemporary Australia.

The Census data does not permit the 60% of median poverty line to be fixed with precision. The categorisation that we have used is the best fit available in the Census data. It should be noted that the use of the 60% of median benchmark is not intended to capture all low paid workers with family responsibilities: the Commission has accepted that the term "low paid" in section 284(1) of the FW Act should be taken to include those workers earning up to two-thirds of median wages: see the June 2022 decision at paragraph 359. In 2021, two-thirds of median weekly earnings were \$733.33 (see table A9), higher than the poverty line used in this appendix, \$610.00 per week.

It should also be noted that the categorisation used here does not turn on the basis upon which workers are paid: the Census data covers low paid workers without any distinction being made between whether they are award reliant (i.e. only being paid the minimum award rate and not a dollar more) or they are paid a higher wage rate that still leaves them low paid and in or at risk of poverty.

The published poverty reports do not estimate how many children are living in poverty in wage-dependent households where there is a person in full time work. The Census provides data that shed considerable light on this important aspect. The Census data provide information about the labour force status, or the absence from the labour force, of the couple parents and of the sole parents in low income families.

Respondents to the Census were required to state the incomes of all members of their households from among a number of income ranges. Included in the Census income columns were the weekly amounts of \$650.00 to \$799.00 per week, \$800.00 to \$999.00 per week and \$1,000.00 to \$1,249.00 per week. The Census question in respect of each person in the household was "What is the total of all income the person usually receives?", excluding tax payments.

The comparison between the Census data and the estimated poverty lines, therefore, needs to take into account the fact that the Census required income data by reference to income ranges and that the Census recorded pre-tax rather than disposable incomes.

The income ranges for those considered at risk of poverty are shown in table B1. Due to limitations in the Census data, these categories include both those that have an income strictly below the 60% poverty line and those that may have a greater income but are counted in the same income bracket. This is the meaning of our category "at risk of poverty". On the other hand, our method of aggregating families with three or more children results in underestimating the disposable incomes of those with strictly greater than three children (see tables B4 and B6).

The opposite limitation occurs in our data for the working patterns in low-income households summarised in tables B2, B3 and B5. The Fair Work Commission's measure of low income individuals at two thirds of median wage is twenty per cent higher than our estimate for the 60% poverty line. Here, all individuals counted in the relevant income bracket in B1 have an income strictly below the low-income threshold, and some low-income individuals will be in the higher tax bracket.

Slight statistical anomalies exist between the tables due to data access through Census TableBuilder, where data are "randomly adjusted to avoid the release of confidential data". Tables B7 to B14 in particular include cells with small values, for which the ABS advice is that "No reliance should be placed on small cells".

Tables Summary

Table B1 shows the indicative poverty lines and maximum income ranges used to analyse Census data. Tables B2 and B5 provide the labour market status of parents in families at risk of poverty for couple and sole parent families respectively, by the number of dependent children. Table B4 and B6 estimate the number of children and individuals at risk of poverty for couple and sole parent families respectively. Table B3 provides the employment status of individual adults in low income couple parent families. The basic data from the Census is in Tables B7 to B14. Tables B7 and B8 show the count of families according to the number of dependent children and total income for couple and sole parent families respectively. Tables B9 to B14 provide information about parental labour force status for couple and sole parent families with one, two, and three or more dependent children. Tables B15 to B20 summarise this data according to those at risk of being below the Henderson poverty line and those not at risk. Table B21 provides the labour force status of 15 to 19 year olds.

Table B1
Census Income Levels and Estimated Poverty Lines August 2021

Family	60% Relative Poverty Line	Maximum Income Range in Census		
Couple and one child	1,098.00	\$1,000.00 - \$1,249.00		
Couple and two children	1,281.00	1,250.00 - 1,499.00		
Couple and three or more children	1,464.00	1,250.00 - 1,499.00		
Sole parent and one child	793.00	\$650.00 - \$799.00		
Sole parent and two children	976.00	\$800.00 - \$999.00		
Sole parent and three or more children	1,159.00	\$1,000.00 - \$1,249.00		

Table B1 sets out the estimated 60% of median poverty lines at the time of the Census for the six family groups covered, and the maximum income range in the Census returns that has been used in each calculation.

The poverty lines are based on the median equivalised disposable household income reported in the ABS publication Household Income and Wealth, Australia, 2019-20. At December 2019, equivalised disposable household income for a single person was \$959.00 per week, with the 60% relative poverty line being \$575.40. Using the Commission's adjustment method, based on changes in Household Disposable Income published in the Poverty Lines, Australia newsletter from December 2019 to June 2021, this figure should be increased by 6.4% (see Poverty Lines Australia June Quarter 2023, Table 2). The estimated figure for June 2021 is \$612.03. For present purposes, the figure for August 2021 can be rounded to \$610.00 per week.

Applying the equivalence scales used by the ABS, the 60% of median relative poverty line can be calculated for various kinds of households. Children are assumed to be aged less than 15 years. Despite this, the following tables count dependent students aged 15 to 24 years as dependent children, and therefore underestimate the poverty line for each relevant family by \$122.0 per 15 to 24 year old student. The poverty lines for the families with three or more children are calculated on the basis of three children only. As discussed at Table B, the poverty lines for couples with strictly more than three children are underestimated by \$183.0 per dependent child aged below 15 and \$305.0 per dependent student aged 15 to 24 years.

Table B2
Census 2021 Working patterns of low income couple parent families

	One child		Two children		Three o		Total	
	N Per cent		N	Per cent	N	Per cent	N	Per cent
Both not in labour force	18,621	22.9	18,381	14.3	17,228	21.7	54,230	18.7
One full time and other not in labour force	16,998	20.9	30,245	23.5	18,543	23.3	65,786	22.7
One part time and other not in labour force	14,274	17.5	18,305	14.2	12,317	15.5	44,896	15.5
One unemployed and other not in labour force	4,161	5.1	4,460	3.5	4,110	5.2	12,731	4.4
One away from work and other not in labour force	3,639	4.5	5,239	4.1	3,730	4.7	12,608	4.4
Both part time	5,530	6.8	10,543	8.2	4,238	5.3	20,311	7.0
One full time and other part time	4,918	6.0	18,433	14.3	8,389	10.6	31,740	11.0
One part time and other unemployed	2,949	3.6	3,754	2.9	1,715	2.2	8,418	2.9
One part time and other away from work	1,325	1.6	2,845	2.2	1,229	1.5	5,399	1.9
Both full time	1,786	2.2	4,694	3.6	2,167	2.7	8,647	3.0
One full time and other unemployed	2,826	3.5	4,626	3.6	1,895	2.4	9,347	3.2
One full time and other away from work	918	1.1	2,686	2.1	1,221	1.5	4,825	1.7
Both employed, away from work	779	1.0	1,685	1.3	734	0.9	3,198	1.1
One away from work and other unemployed	595	0.7	681	0.5	355	0.4	1,631	0.6
Both unemployed	1,458	1.8	1,537	1.2	983	1.2	3,978	1.4
Status of one or both not stated	568	0.7	747	0.6	560	0.7	1,875	0.6
Total	81,343	99.9	128,878	100.1	79,421	99.8	289,642	100.1

Derived from Labour Force Status of Parents/Partners in Families (LFSF), Count of Dependent Children in Family (CDCF) and Total Family Income weekly (FINF). Low income families are those with income less than or equal to maximum income range in B1. Totals may not sum to 100 due to rounding.

Table B3
Census 2021 Employment status of adults in low income couple parent families

	** 1.11	Adults					
	Households	Full time	Part time	NILF	AFW	UN	Not stated
Both not in labour force	54,230			108,460			
One full time and other not in labour force	65,786	65,786		65,786			
One part time and other not in labour force	44,896		44,896	44,896			
One unemployed and other not in labour force	12,731			12,731		12,731	
One away from work and other not in labour force	12,608			12,608	12,608		
Both part time	20,311		40,622				
One full time and other part time	31,740	31,740	31,740				
One part time and other unemployed	8,418		8,418			8,418	
One part time and other away from work	5,399		5,399		5,399		
Both full time	8,647	17,294					
One full time and other unemployed	9,347	9,347				9,347	
One full time and other away from work	4,825	4,825			4,825		
Both employed, away from work	3,198				6,396		
One away from work and other unemployed	1,631				1,631	1,631	
Both unemployed	3,978					7,956	
Status of one or both not stated	1,875	315	277	535	288	72	2,263
Total	289,642	129,307	131,352	245,016	31,147	40,155	2,263

NILF: not in labour force; AFW: away from work; UN: unemployed
Derived from Labour Force Status of Parents/Partners in Families (LFSF), Count of Dependent Children
in Family (CDCF) and Total Family Income weekly (FINF). Low income families are those with income
less than or equal to maximum income range in B1.

Tables B2 and B3 show that the great majority of these low income couple parent families were engaged in some kind of employment. In the following figures we record the average across all three categories, and in brackets the average for two-children families, which make up 45 per cent of these families. Only in 18.7 per cent (14.3 per cent of two-child families) of these households were both parents out of the labour force. As for the rest of the households:

- 41.7 per cent (47.2 per cent) had at least one parent working full time;
- 69.0 per cent (74.8 per cent) had at least one parent working full or part time;
- 260,659 individuals in low-income families are working full time or part time, with an additional 31,147 individuals away from work and 40,155 unemployed.

The figures also demonstrate that amongst low income families (those at risk of being below the Henderson poverty line), the most common household structure was single-earner families: with one parent working full or part time, and the other either away from work, unemployed, or out of the labour force:

- 47.9 per cent (48.5 per cent) of low income families were single-earner families.
- 21.0 per cent (26.1 per cent) of low income families were dual-earner families
- 30.6 per cent (24.9 per cent) of low income families had neither parent currently working.

The figures demonstrate single-earner families are by far the major category in the labour force profile of low income couple parent families, despite the inevitable economic pressure on the parents for both of them to be in employment. However, even with the extra income from the second parent working many families still find themselves living in or at the risk of poverty.

Table B4
Census 2021 Total number of children and adults in low income couple parent families in or near poverty

	No. of families	Number of children	Individuals at risk of poverty
Couple and one child	81,343	81,343	244,029
Couple and two children	128,878	257,756	515,512
Couple and three children	53,444	160,332	267,220
Couple and four children	24,159	96,636	144,954
Couple and five children	7,871	39,355	55,097
Couple and six or more children	4,901	29,406	39,208
Total	90,375	664,828	1,266,020

Derived from Count of Dependent Children in Family (CDCF) and Total Family Income weekly (FINF). Low income brackets are calculated according to the method in B1.

These figures demonstrate that on top of the figure of 79,421 families with three or more children at risk of poverty provided in Table B2, need to be added at 10,954 families with four or more children. Using this measure, the total number of dependent children in couple parent families can be deduced from Table B7, as 4,594,881, assuming that the maximum number of children per family is six. Excluding, nil, negative, partially or unstated incomes, 15.8 per cent of children are at risk of poverty.

Table B5
Working patterns of low income sole parent families

	One	child	Two cl	nildren	Three c	or more dren	То	tal
	N	Per cent	N	Per cent	N	Per cent	N	Per cent
Employed, full time	6,074	5.9	8,674	9.5	5,588	9.4	20,336	8.0
Employed, part time	29,108	28.1	30,479	33.4	15,373	25.8	74,960	29.5
Employed, away from work	5,447	5.3	4,991	5.5	2,833	4.8	13,271	5.2
Unemployed	10,354	10.0	7,335	8.0	4,088	6.9	21,777	8.6
Not in labour force	52,151	50.3	39,465	43.3	31,474	52.9	123,090	48.4
Labour force status not stated	448	0.4	276	0.3	176	0.3	900	0.4
Total	103,587	100.0	91,225	100.0	59,544	100.1	254,356	100.1

Derived from Labour Force Status of Parents/Partners in Families (LFSF), Count of Dependent Children in Family (CDCF) and Total Family Income weekly (FINF). Low income families are those with income less than or equal to maximum income range in B1. Totals may not sum to 100 due to rounding.

Table B6
Census 2021 Total number of children and adults in low income couple parent families in or near poverty

	No. of families	Number of children	Individuals at risk of poverty
Parent and one child	103,587	103,587	207,174
Parent and two children	91,225	182,450	273,675
Parent and three children	42,172	126,516	168,688
Parent and four children	14,065	56,260	70,325
Parent and five children	4,304	21,520	25,824
Parent and six or more children	1575	9,450	11,025
Total	256,928	499,783	756,711

Derived from Count of Dependent Children in Family (CDCF) and Total Family Income weekly (FINF). Low income brackets are calculated according to the method in B1.

The number of children in families with six or more children are calculated on the basis that there are only six children in the family.

From Table B8, we can see that the above 256,928 families comprise 44.1 per cent of all sole parent families with dependent children, and that these 499,783 comprise 50.9 per cent of all children in these families, where families with nil, negative, partially and non-stated income are excluded. That is, of families who reported a positive income to the census, a majority of children in sole parent families were at risk of poverty.

These figures are very troubling. While they raise important issues beyond the scope of the Commission's responsibilities, they provide important information about the workers and their families which should be of very great concern to the Commission when it sets safety net wage rates for low paid work classifications.

For these low paid sole parent families who rely on full time or part time work, the minimum wage decisions of the Commission are vitally important; and increasingly more important because of the cuts to, and freezing of, various family payments. The Commission should, we submit, accept that their poverty will not be alleviated unless it decides to substantially increase the wage rates for low paid workers.

Table B7

Count of Couple Parent Families by Number of Dependent Children and Total Family Income (weekly), 2021

Particle

	Negative and nil income	\$1- \$149	\$150- \$299	\$300- \$399	\$400- \$499	\$500- \$649	\$650- \$799	\$800- \$999	\$1,000- \$1,249	\$1,250- \$1,499	\$1,500- \$1,749	\$1,750- \$1,999	\$2,000- \$2,499	\$2,500 or more	Partial and not stated	Total
No dependent children	2,509	481	1,091	965	1,480	2,340	6,041	9,299	20,825	26,023	25,152	24,852	58,264	269,574	70,563	519,457
One dependent child	3,984	1,201	1,857	1,570	4,655	6,372	13,210	20,068	32,412	48,009	46,497	51,103	126,152	449,545	70,161	876,798
Two dependent children	3,677	1,010	1,579	1,350	4,012	5,957	12,615	18,574	32,506	51,279	52,875	60,539	151,144	601,111	73,583	1,071,816
Three dependent children	1,567	413	659	586	1,906	2,600	5,717	8,145	12,931	20,483	19,814	21,856	49,773	188,247	29,727	364,408
Four dependent children	628	144	205	208	795	1,077	2,157	2,992	4,433	6,413	5,743	5,898	11,630	34,314	8,582	85,212
Five dependent children	222	38	67	72	228	313	597	836	1,239	1,628	1,429	1,423	2,530	5,499	2,252	18,379
Six or more dependent children	130	15	40	45	103	191	309	408	617	799	638	615	1,115	2,030	1,020	8,076
Total	12,717	3,302	5,498	4,796	13,179	18,850	40,646	60,322	104,963	154,634	152,148	166,286	400,608	1,550,320	255,888	2,944,146

Table B8
Count of Sole Parent Families by Number of Dependent Children and Total Family Income (weekly), 2021

	Negative and nil	\$1-	\$150-	\$300-	\$400-	\$500-	\$650-	\$800-	\$1,000-	\$1,250-	\$1,500-	\$1,750-	\$2,000-	\$2,500	Partial and not	
	income	\$149	\$299	\$399	\$499	\$649	\$799	\$999	\$1,249	\$1,499	\$1,749	\$1,999	\$2,499	or more	stated	Total
No dependent children	4,409	1,470	2,620	2,713	7,677	9,280	18,913	41,846	44,116	43,802	30,911	27,469	47,984	71,120	39,877	394,202
One dependent child	9,200	2,828	7,130	12,235	19,413	32,221	29,755	31,660	36,234	30,887	24,604	19,782	31,412	31,507	22,747	341,623
Two dependent children	5,058	1,460	3,516	6,371	11,218	21,552	23,879	23,228	25,283	20,430	16,370	13,097	21,276	19,323	17,128	229,178
Three dependent children	1,745	432	1,065	2,135	3,984	7,294	9,589	9,282	8,386	6,350	4,569	3,382	5,267	5,045	6,777	75,300
Four dependent children	548	135	306	524	1,124	2,037	2,740	3,278	2,368	1,549	1,105	795	1,024	945	1,618	20,097
Five dependent children	175	32	75	171	285	591	702	955	800	429	264	173	253	229	509	5,633
Six or more dependent children	74	11	31	49	104	152	254	296	342	203	132	94	140	131	230	2,227
Total	21,209	6,368	14,743	24,198	43,805	73,127	85,832	110,545	117,529	103,650	77,955	64,792	107,356	128,300	88,886	1,068,260

Table B9
Labour Force Status of Parents in Couple Parent Families with One Dependent Child in Family, 2021

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	Negative and nil income	\$1- \$149	\$150- \$299	\$300- \$399	\$400- \$499	\$500- \$649	\$650- \$799	\$800- \$999	\$1,000- \$1,249	\$1,250- \$1,499	\$1,500- \$1,749	\$1,750- \$1,999	\$2,000- \$2,499	\$2,500 or more	and not stated	Total
Both employed, worked full- time	174	50	27	23	74	98	249	412	856	2,236	3,055	6,312	26,351	170,585	9,451	219,951
One employed full-time, other part-time	112	47	45	38	84	168	450	1,057	3,038	10,351	13,239	16,300	40,132	138,903	7,866	231,834
One employed full-time, other away from work	40	4	11	0	17	42	73	217	555	1,737	2,226	2,903	8,843	40,147	1,698	58,532
One employed full-time, other unemployed	26	7	13	20	38	84	284	750	1,637	2,004	1,991	1,874	4,015	6,498	551	19,776
One employed full-time, other not in the labour force	171	71	78	91	216	561	1,669	4,595	9,730	12,264	11,507	10,586	22,253	42,016	3,499	119,281
One employed full-time, other labour force status not stated	0	0	4	0	5	5	8	34	35	57	44	62	110	310	13,078	13,745
Both employed, worked part- time	58	48	47	39	164	245	685	1,398	2,905	5,004	3,814	3,957	7,804	16,942	1,539	44,639
One employed part-time, other away from work	15	6	11	12	41	66	158	306	719	1,383	1,359	1,466	3,339	8,704	834	18,440
One employed part-time, other unemployed	21	28	67	78	173	325	583	758	928	931	620	452	832	1,350	226	7,379

	Negative and nil income	\$1- \$149	\$150- \$299	\$300- \$399	\$400- \$499	\$500- \$649	\$650- \$799	\$800- \$999	\$1,000- \$1,249	\$1,250- \$1,499	\$1,500- \$1,749	\$1,750- \$1,999	\$2,000- \$2,499	\$2,500 or more	Partial and not stated	Total
One employed part-time, other not in the labour force	130	103	271	290	739	1,461	2,658	3,856	4,889	4,848	3,361	2,618	4,404	7,503	1,530	38,666
One employed part-time, other labour force status not stated	0	4	0	4	6	3	13	17	32	40	28	16	51	74	10,143	10,444
Both employed, away from work	47	10	22	6	24	38	103	200	371	768	754	820	2,084	6,663	1,531	13,443
One away from work, other unemployed	13	6	15	11	26	66	112	147	209	211	160	156	235	464	131	1,947
One away from work, other not in the labour force	116	39	68	70	160	305	612	953	1,426	1,558	1,257	1,013	1,836	3,037	1,136	13,590
One away from work, other labour force status not stated	5	0	0	3	3	7	9	12	30	43	39	41	59	140	3,792	4,193
Both unemployed	189	46	88	55	276	196	307	282	209	219	130	93	158	228	94	2,564
One unemployed, other not in the labour force	478	149	258	169	540	582	901	794	765	651	399	307	467	720	250	7,446
One unemployed, other labour force status not stated	0	0	0	0	3	4	4	9	12	0	4	4	12	7	977	1,034

	Negative and nil income	\$1- \$149	\$150- \$299	\$300- \$399	\$400- \$499	\$500- \$649	\$650- \$799	\$800- \$999	\$1,000- \$1,249	\$1,250- \$1,499	\$1,500- \$1,749	\$1,750- \$1,999	\$2,000- \$2,499	\$2,500 or more	Partial and not stated	Total
Both not in the labour force	2,333	572	808	653	2,040	2,074	4,291	4,196	3,980	3,628	2,456	2,070	3,081	5,086	2,459	39,737
One not in the labour force, other labour force status not stated	16	4	0	9	19	22	30	46	52	40	30	28	33	55	6,711	7,092
Both labour force status not stated	25	0	0	0	12	19	17	31	35	35	25	25	55	97	2,669	3,063
Total	3,969	1,194	1,833	1,571	4,660	6,371	13,216	20,070	32,413	48,008	46,498	51,103	126,154	449,529	70,165	876,796

Table B10
Labour Force Status of Parents in Couple Parent Families with Two Dependent Children in Family, 2021

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	Negative and nil income	\$1- \$149	\$150- \$299	\$300- \$399	\$400- \$499	\$500- \$649	\$650- \$799	\$800- \$999	\$1,000- \$1,249	\$1,250- \$1,499	\$1,500- \$1,749	\$1,750- \$1,999	\$2,000- \$2,499	\$2,500 or more	Partial and not stated	Total
Both employed, worked full- time	231	55	40	25	104	101	282	482	1,048	2,551	3,319	6,858	29,516	228,633	8,850	282,103
One employed full-time, other part-time	191	58	66	43	154	267	680	1,356	3,751	12,061	16,590	21,805	56,590	225,651	7,935	347,196
One employed full-time, other away from work	35	13	12	12	17	31	81	222	588	1,704	2,394	3,164	8,777	36,631	1,727	55,406
One employed full-time, other unemployed	28	6	12	17	32	69	221	700	1,456	2,113	2,125	2,114	4,663	8,202	496	22,242
One employed full-time, other not in the labour force	203	64	84	77	209	569	1,691	4,236	9,614	13,701	13,856	13,001	26,840	49,979	3,183	137,312
One employed full-time, other labour force status not stated	4	0	0	0	0	12	13	20	35	57	51	56	132	402	14,319	15,096
Both employed, worked part- time	51	39	55	23	140	227	672	1,389	2,791	5,212	4,196	4,564	9,052	21,355	1,290	51,050
One employed part-time, other away from work	30	9	23	12	28	73	177	318	758	1,460	1,399	1,613	3,652	9,108	936	19,584
One employed part-time, other unemployed	32	27	50	76	126	311	554	698	943	974	635	458	807	1,449	204	7,323

	Negative and nil income	\$1- \$149	\$150- \$299	\$300- \$399	\$400- \$499	\$500- \$649	\$650- \$799	\$800- \$999	\$1,000- \$1,249	\$1,250- \$1,499	\$1,500- \$1,749	\$1,750- \$1,999	\$2,000- \$2,499	\$2,500 or more	Partial and not stated	Total
One employed part-time, other not in the labour force	116	116	254	297	644	1,404	2,499	3,448	4,782	4,858	3,446	2,711	4,157	6,541	1,076	36,367
One employed part-time, other labour force status not stated	4	3	0	0	6	15	11	20	27	31	37	23	60	134	13,897	14,263
Both employed, away from work	86	10	11	8	35	34	107	216	453	799	730	876	1,912	5,687	1,571	12,535
One away from work, other unemployed	14	0	15	11	24	44	84	127	170	199	171	144	216	367	117	1,699
One away from work, other not in the labour force	114	38	85	63	160	310	653	884	1,442	1,601	1,312	1,114	1,894	2,734	1,045	13,449
One away from work, other labour force status not stated	11	0	0	4	4	8	17	17	28	41	33	41	70	149	3,898	4,308
Both unemployed	192	36	66	52	206	189	286	236	266	194	134	97	134	202	84	2,360
One unemployed, other not in the labour force	364	99	183	137	455	542	941	741	761	601	394	285	409	561	190	6,663
One unemployed, other labour force status not stated	0	0	0	0	0	0	6	0	5	5	0	0	6	3	1,020	1,065

	Negative and nil income	\$1- \$149	\$150- \$299	\$300- \$399	\$400- \$499	\$500- \$649	\$650- \$799	\$800- \$999	\$1,000- \$1,249	\$1,250- \$1,499	\$1,500- \$1,749	\$1,750- \$1,999	\$2,000- \$2,499	\$2,500 or more	Partial and not stated	Total
Both not in the labour force	1,959	405	618	484	1,647	1,716	3,586	3,409	3,499	3,016	1,992	1,571	2,194	3,246	1,508	30,843
One not in the labour force, other labour force status not stated	24	6	3	4	10	11	26	24	39	58	23	26	26	28	7,781	8,095
Both labour force status not stated	23	5	3	0	17	10	29	27	31	40	23	28	40	100	2,496	2,857
Total	3,712	989	1,580	1,345	4,018	5,943	12,616	18,570	32,487	51,276	52,860	60,549	151,147	601,162	73,623	1,071,816

Table B11

Labour Force Status of Parents in Couple Parent Families with Three or more Dependent Children in Family, 2021

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	and nil income	\$1- \$149	\$150- \$299	\$300- \$399	\$400- \$499	\$500- \$649	\$650- \$799	\$800- \$999	\$1,000- \$1,249	\$1,250- \$1,499	\$1,500- \$1,749	\$1,750- \$1,999	\$2,000- \$2,499	\$2,500 or more	and not stated	Total
Both employed, worked full- time	116	28	22	12	54	55	106	264	486	1,146	1,301	2,485	9,433	72,991	5,460	93,957
One employed full-time, other part-time	81	37	36	22	68	148	341	707	1,794	5,239	6,775	9,035	22,606	91,240	5,323	143,451
One employed full-time, other away from work	15	9	4	3	8	19	62	110	262	746	978	1,354	3,328	13,696	1,017	21,612
One employed full-time, other unemployed	12	6	5	5	14	38	112	289	542	890	861	807	1,657	2,814	342	8,404
One employed full-time, other not in the labour force	125	38	55	77	149	370	1,063	2,686	5,270	8,837	9,065	8,586	15,630	26,798	2,600	81,360
One employed full-time, other labour force status not stated	0	0	0	0	0	4	7	19	20	42	19	29	38	138	5,236	5,549
Both employed, worked part- time	26	12	19	19	52	117	276	587	1,152	2,011	1,719	1,789	3,494	8,176	855	20,299
One employed part-time, other away from work	7	5	5	9	28	32	79	140	316	615	644	662	1,496	3,605	519	8,155
One employed part-time, other unemployed	14	13	24	26	62	136	247	318	424	465	315	263	337	567	141	3,351

	Negative and nil income	\$1- \$149	\$150- \$299	\$300- \$399	\$400- \$499	\$500- \$649	\$650- \$799	\$800- \$999	\$1,000- \$1,249	\$1,250- \$1,499	\$1,500- \$1,749	\$1,750- \$1,999	\$2,000- \$2,499	\$2,500 or more	Partial and not stated	Total
One employed part-time, other not in the labour force	80	65	159	225	416	823	1,706	2,253	3,075	3,595	2,269	1,789	2,473	3,395	931	23,250
One employed part-time, other labour force status not stated	4	0	0	0	10	8	13	15	15	21	22	15	8	63	6,146	6,335
Both employed, away from work	29	3	5	3	14	20	36	75	185	392	352	372	918	2,161	838	5,398
One away from work, other unemployed	7	6	6	6	19	32	43	78	80	89	77	66	132	160	72	875
One away from work, other not in the labour force	81	23	49	56	117	205	408	590	972	1,313	980	855	1,291	1,542	862	9,347
One away from work, other labour force status not stated	13	0	0	0	5	6	14	14	24	29	22	17	28	68	1,811	2,043
Both unemployed	93	10	41	13	115	117	192	162	160	164	82	55	93	80	81	1,472
One unemployed, other not in the labour force	284	62	130	91	409	394	786	816	783	633	302	262	317	381	247	5,917
One unemployed, other labour force status not stated	0	0	0	0	0	0	5	0	4	6	4	0	0	0	548	584

	Negative and nil income	\$1- \$149	\$150- \$299	\$300- \$399	\$400- \$499	\$500- \$649	\$650- \$799	\$800- \$999	\$1,000- \$1,249	\$1,250- \$1,499	\$1,500- \$1,749	\$1,750- \$1,999	\$2,000- \$2,499	\$2,500 or more	Partial and not stated	Total
Both not in the labour force	1,536	282	405	344	1,463	1,638	3,237	3,207	3,599	3,046	1,805	1,335	1,732	2,087	1,583	27,287
One not in the labour force, other labour force status not stated	11	8	3	4	12	21	18	26	42	38	15	14	20	28	5,434	5,707
Both labour force status not stated	3	4	4	0	9	5	22	21	19	13	16	17	17	52	1,519	1,720
Total	2,537	611	972	915	3,024	4,188	8,773	12,377	19,224	29,330	27,623	29,807	65,048	230,042	41,565	476,073

Table B12
Labour Force Status of Parents in Sole Parent Families with One Dependent Child in Family, 2021

	Negative and nil income	\$1- \$149	\$150- \$299	\$300- \$399	\$400- \$499	\$500- \$649	\$650- \$799	\$800- \$999	\$1,000- \$1,249	\$1,250- \$1,499	\$1,500- \$1,749	\$1,750- \$1,999	\$2,000- \$2,499	\$2,500 or more	Partial and not stated	Total
Employed, worked full- time	199	93	132	238	468	1,387	3,752	8,932	15,026	15,007	14,245	12,327	21,612	22,094	8,127	123,644
Employed, worked part- time	234	442	1,132	2,173	3,833	9,069	12,460	12,975	11,839	8,642	5,889	4,137	5,317	4,836	4,289	87,265
Employed, away from work	171	96	267	462	751	1,703	2,162	1,964	1,921	1,595	1,207	964	1,397	1,298	1,785	17,757
Unemployed	1,035	377	1,120	1,885	2,267	3,148	1,559	1,155	1,012	742	465	320	437	525	778	16,837
Not in the labour force	7,459	1,805	4,414	7,403	11,992	16,811	9,739	6,542	6,352	4,846	2,756	2,003	2,617	2,701	5,195	92,614
Labour force status not stated	102	20	53	72	99	114	83	88	75	55	44	30	35	48	2,580	3,506
Total	9,200	2,833	7,118	12,233	19,410	32,232	29,755	31,656	36,225	30,887	24,606	19,781	31,415	31,502	22,754	341,623

Table B13
Labour Force Status of Parents in Sole Parent Families with Two Dependent Children in Family, 2021

	N T	stive											I			
	Negative and nil income	\$1- \$149	\$150- \$299	\$300- \$399	\$400- \$499	\$500- \$649	\$650- \$799	\$800- \$999	\$1,000- \$1,249	\$1,250- \$1,499	\$1,500- \$1,749	\$1,750- \$1,999	\$2,000- \$2,499	s2,500 or more	Partial and not stated	Total
Employed, worked full- time	140	59	92	153	257	750	2,105	5,259	9,412	9,589	9,351	8,509	15,288	13,860	7,098	81,920
Employed, worked part- time	138	231	709	1,278	2,299	6,125	9,462	10,370	9,967	6,545	4,335	2,772	3,459	2,942	3,620	64,257
Employed, away from work	123	64	144	261	504	1,174	1,482	1,372	1,228	981	702	483	823	597	1,177	11,108
Unemployed	593	181	482	889	1,209	2,173	1,561	845	651	427	262	183	246	295	604	10,601
Not in the labour force	4,017	916	2,069	3,752	6,910	11,268	9,226	5,326	3,996	2,850	1,701	1,144	1,426	1,580	3,203	59,379
Labour force status not stated	45	7	29	41	50	57	39	51	30	36	20	15	22	39	1,425	1,915
Total	5,056	1,458	3,525	6,374	11,229	21,547	23,875	23,223	25,284	20,428	16,371	13,106	21,264	19,313	17,127	229,180

Table B14

Labour Force Status of Parents in Sole Parent Families with Three or more Dependent Children in Family, 2021

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\$2,500

	Negative and nil income	\$1- \$149	\$150- \$299	\$300- \$399	\$400- \$499	\$500- \$649	\$650- \$799	\$800- \$999	\$1,000- \$1,249	\$1,250- \$1,499	\$1,500- \$1,749	\$1,750- \$1,999	\$2,000- \$2,499	\$2,500 or more	Partial and not stated	Total
Employed, worked full- time	38	13	23	33	94	283	718	1,589	2,835	2,766	2,630	2,259	3,817	3,807	2,794	23,697
Employed, worked part- time	70	109	258	439	787	2,019	3,398	4,143	4,220	2,799	1,697	1,027	1,320	1,123	1,813	25,224
Employed, away from work	57	23	61	94	192	440	697	707	623	392	261	181	286	233	564	4,811
Unemployed	232	55	198	318	458	871	1,010	728	440	251	148	105	158	152	406	5,546
Not in the labour force	2,115	412	921	1,959	3,942	6,438	7,419	6,624	3,757	2,301	1,310	862	1,089	1,017	2,653	42,833
Labour force status not stated	24	4	9	21	25	24	42	24	23	18	13	7	6	15	894	1,151
Total	2,536	616	1,470	2,864	5,498	10,075	13,284	13,815	11,898	8,527	6,059	4,441	6,676	6,347	9,124	103,262

Table B15
Working patterns of couple parent families with one child, August 2021

	Total incom \$1,250 p		Total i: \$1,250 o		То	tal
	\$1,250 per week N Per cent		N	Per cent	N	Per cent
Both employed, worked full-time	1,789	2.2	208,539	28.9	210,328	26.2
One employed full-time, other part-time	4,927	6.1	218,925	30.4	223,852	27.9
One employed full-time, other away from work	919	1.1	55,856	7.7	56,775	7.1
One employed full-time, other unemployed	2,833	3.5	16,382	2.3	19,215	2.4
One employed full-time, other not in the labour force	17,011	20.9	98,626	13.7	115,637	14.4
Both employed, worked part-time	5,531	6.8	37,521	5.2	43,052	5.4
One employed part-time, other away from work	1,319	1.6	16,251	2.3	17,570	2.2
One employed part-time, other unemployed	2,940	3.6	4,185	0.6	7,125	0.9
One employed part-time, other not in the labour force	14,267	17.5	22,734	3.2	37,001	4.6
Both employed, away from work	774	1.0	11,089	1.5	11,863	1.5
One away from work, other unemployed	592	0.7	1,226	0.2	1,818	0.2
One away from work, other not in the labour force	3,633	4.5	8,701	1.2	12,334	1.5
Both unemployed	1,459	1.8	828	0.1	2,287	0.3
One unemployed, other not in the labour force	4,158	5.1	2,544	0.4	6,702	0.8
Both not in the labour force	18,614	22.9	16,321	2.3	34,935	4.4
One or both labour force status not stated	562	0.7	1,564	0.2	2,126	0.3
Total	81,328	100.0	721,292	100.2	802,620	100.1

Table B16
Working patterns of couple parent families with two children, August 2021

	Total income less than \$1,500 per week	Total i \$1,500 c		То	tal	
	N	Per cent	N	Per cent	N	Per cent
Both employed, worked full-time	4,688	3.6	268,326	31.0	273,014	27.5
One employed full-time, other part-time	18,436	14.3	320,636	37.0	339,072	34.1
One employed full-time, other away from work	2,680	2.1	50,966	5.9	53,646	5.4
One employed full-time, other unemployed	4,626	3.6	17,104	2.0	21,730	2.2
One employed full-time, other not in the labour force	30,245	23.5	103,676	12.0	133,921	13.5
Both employed, worked part-time	10,548	8.2	39,167	4.5	49,715	5.0
One employed part-time, other away from work	2,858	2.2	15,772	1.8	18,630	1.9
One employed part-time, other unemployed	3,759	2.9	3,349	0.4	7,108	0.7
One employed part-time, other not in the labour force	18,302	14.2	16,855	1.9	35,157	3.5
Both employed, away from work	1,673	1.3	9,205	1.1	10,878	1.1
One away from work, other unemployed	674	0.5	898	0.1	1,572	0.2
One away from work, other not in the labour force	5,236	4.1	7,054	0.8	12,290	1.2
Both unemployed	1,531	1.2	567	0.1	2,098	0.2
One unemployed, other not in the labour force	4,460	3.5	1,649	0.2	6,109	0.6
Both not in the labour force	18,380	14.3	9,003	1.0	27,383	2.8
One or both labour force status not stated	728	0.6	1,491	0.2	2,219	0.2
Total	128,824	100.1	865,718	100.0	994,542	100.1

Table B17
Working patterns of couple parent families with three or more children, August 2021

	Total incon \$1,500 p	ne less than er week	Total i \$1,500 c		To	tal
	N	Per cent	N	Per cent	N	Per cent
Both employed, worked full-time	2,173	2.7	86,210	24.5	88,383	20.5
One employed full-time, other part-time	8,392	10.6	129,656	36.8	138,048	32.0
One employed full-time, other away from work	1,223	1.5	19,356	5.5	20,579	4.8
One employed full-time, other unemployed	1,901	2.4	6,139	1.7	8,040	1.9
One employed full-time, other not in the labour force	18,545	23.4	60,079	17.0	78,624	18.2
Both employed, worked part-time	4,245	5.3	15,178	4.3	19,423	4.5
One employed part-time, other away from work	1,229	1.5	6,407	1.8	7,636	1.8
One employed part-time, other unemployed	1,715	2.2	1,482	0.4	3,197	0.7
One employed part-time, other not in the labour force	12,317	15.5	9,926	2.8	22,243	5.1
Both employed, away from work	733	0.9	3,803	1.1	4,536	1.1
One away from work, other unemployed	359	0.5	435	0.1	794	0.2
One away from work, other not in the labour force	3,733	4.7	4,668	1.3	8,401	1.9
Both unemployed	974	1.2	310	0.1	1,284	0.3
One unemployed, other not in the labour force	4,104	5.2	1,262	0.4	5,366	1.2
Both not in the labour force	17,221	21.7	6,959	2.0	24,180	5.6
One or both labour force status not stated	550	0.7	650	0.2	1,200	0.3
Total	2,173	3.0	86,210	24.5	88,383	20.5

Table B18
Working patterns of sole parent families with one child, August 2021

	Total income less than \$800 per week		Total income \$800 or more		Tot	tal
	N	Per cent	N	Per cent	N	Per cent
Employed, worked full-time	6,070	5.9	109,243	53.0	115,313	37.2
Employed, worked part-time	29,109	28.1	53,635	26.0	82,744	26.7
Employed, away from work	5,441	5.3	10,346	5.0	15,787	5.1
Unemployed	10,356	10.0	4,656	2.3	15,012	4.8
Not in the labour force	52,164	50.4	27,817	13.5	79,981	25.8
Labour force status not stated	441	0.4	375	0.2	816	0.3
Total	103,581	100.1	206,072	100.0	309,653	99.9

Table B19
Working patterns of sole parent families with two children, August 2021

	Total incom \$1,000 p		Total ii \$1,000 o		Total N Per cent	
	N	Per cent	N	Per cent	N	Per cent
Employed, worked full-time	8,675	9.5	66,009	57.0	74,684	36.1
Employed, worked part-time	30,474	33.4	30,020	25.9	60,494	29.2
Employed, away from work	5,001	5.5	4,814	4.2	9,815	4.7
Unemployed	7,340	8.0	2,064	1.8	9,404	4.5
Not in the labour force	39,467	43.3	12,697	11.0	52,164	25.2
Labour force status not stated	274	0.3	162	0.1	436	0.2
Total	91,231	100.0	115,766	100.0	206,997	99.9

Table B20 Working patterns of sole parent families with three or more children, August 2021

Total income less than \$1,250 per week				Total N. Bor cont	
N	Per cent	N	Per cent	N	Per cent
5,588	9.4	15,279	47.7	20,867	22.8
15,373	25.8	7,966	24.9	23,339	25.5
2,837	4.8	1,353	4.2	4,190	4.6
4,078	6.9	814	2.5	4,892	5.3
31,472	52.9	6,579	20.5	38,051	41.6
172	0.3	59	0.2	231	0.3
59,520	100.1	32,050	100.0	91,570	100.1
	\$1,250 pen N 5,588 15,373 2,837 4,078 31,472 172 59,520	\$1,250 per week N Per cent 5,588 9.4 15,373 25.8 2,837 4.8 4,078 6.9 31,472 52.9 172 0.3 59,520 100.1	\$1,250 per week N Per cent N 5,588 9.4 15,279 15,373 25.8 7,966 2,837 4.8 1,353 4,078 6.9 814 31,472 52.9 6,579 172 0.3 59 59,520 100.1 32,050	\$1,250 per week \$1,250 or more N Per cent N Per cent 5,588 9.4 15,279 47.7 15,373 25.8 7,966 24.9 2,837 4.8 1,353 4.2 4,078 6.9 814 2.5 31,472 52.9 6,579 20.5 172 0.3 59 0.2 59,520 100.1 32,050 100.0	\$1,250 per week \$1,250 or more N Per cent N 5,588 9.4 15,279 47.7 20,867 15,373 25.8 7,966 24.9 23,339 2,837 4.8 1,353 4.2 4,190 4,078 6.9 814 2.5 4,892 31,472 52.9 6,579 20.5 38,051 172 0.3 59 0.2 231 59,520 100.1 32,050 100.0 91,570

Table B21
2021 Census Labour Force Status of 15-19 year olds

		Employed		Unemp	ployed	Not in		
	Full time	Part time	Away from work	Looking for full time work	Looking for part time work	the labour force	Not stated	Total
Preschool and all primary school	0	0	0	0	0	0	0	0
Secondary - Government	665	131,032	20,959	1,228	31,912	290,660	432	476,892
Secondary - Catholic	191	65,220	11,264	223	11,780	100,563	75	189,301
Secondary - other non- Government	198	40,522	8,611	161	9,185	109,337	73	168,088
Secondary - not further defined	3	129	40	4	43	666	17	902
Tertiary - Vocational education (including TAFE and private training providers)	31,851	21,683	6,590	1,584	4,484	20,064	262	86,512
Tertiary - University or other higher education	5,293	94,589	19,815	780	14,961	55,201	91	190,727
Tertiary - not further defined	55	112	35	0	29	199	18	446
Other	1,629	3,291	607	269	926	8,783	72	15,575
Not stated	478	1,608	703	137	331	9,043	66,008	78,293
Not applicable	70,611	71,033	16,311	19,600	10,067	60,640	2,817	251,066
Total	110,967	429,233	84,918	23,972	83,711	655,150	69,856	1,457,812

Obtained from Type of Educational Institution Attending (TYPP), Labour Force Status (LFSP), and Age in Five Year Groups (AGE5P)