

Tuesday 2 June 2026

## Australian Unions welcome 4.75% wage increase amid ‘Trump wildcard’ economic impact

Australian Unions have welcomed the Fair Work Commission’s decision to award a wage rise of 4.75 percent for Australian workers who rely on minimum and award wages.

With headline inflation currently at 4.2 percent, today’s Annual Wage Review decision broadly keeps up with the cost-of-living and will provide some financial relief for 3 million working Australians.

The uplift in pay for minimum wage and award-reliant workers will help working Australians deal with the very worst of the inflation effects caused by what the Fair Work Commission termed the “wild card of the Middle East conflict”.

Unions also welcome the Fair Work Commission’s decision to increase the wages of around 100,000 of the workers on the lowest modern award rates by 6% - matching the ACTU’s claim. This lifts the lowest rate of pay for ongoing work from \$24.95 per hour to \$26.44, or a \$56 a week increase for a full-time worker to \$1,004 from 1 July.

A retail worker paid at level 2 of the retail award will receive a weekly wage increase of \$49.78 or an annual pay boost of \$2,588.70 if working on a full-time basis.

The pay boost will flow-through to workers immediately impacted from July 1 and benefits all working Australians by lifting the national minimum wage floor that unions bargain from.

Lower-paid workers are concentrated in retail, accommodation and food services, community, care, arts, administration, recreation and the health care sectors. They are predominantly women, and on part time or casual work arrangements.

Unions pursued a 6% minimum wage increase after the Federal Budget forecast that inflation would reach 5% by the middle of the year.

While today’s annual wage review decision falls short of that except for the very lowest paid, it will ease some of the worst price pressures caused by the war’s aftershocks, with a small buffer if the global situation drags on.

### Quotes attributable to ACTU Secretary, Sally McManus:

“Australian Unions work hard to secure wage increases, and we welcome the Fair Work Commission’s decision to lift wages for around 3 million lower paid workers’ by 4.75 percent come 1 July.

“It means relief is on the way for lower paid workers to help keep up with price pressures and avoid the need to cut back on essentials like food or seeing a doctor.

“This is a positive real wage increase, and it will provide some buffer against the worst impacts of the Trump war, providing it doesn’t drag on throughout the year.

“It is encouraging to see that even higher wage rises of 6%, matching our full claim, have been awarded to around 100,000 workers on the very lowest pay rates because they simply could not afford to wait.

“The lowest paid need to spend almost all of what they earn to survive, and this wage increase will be vital to them while generating income for local businesses that also need a boost.”

**ENDS**

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