

# Frequently Asked Questions (FAQs)

## Wage increases including the CPI Uplift Adjustment

### **Purpose:**

This document has been prepared to assist agencies and their payroll providers in implementing and responding to questions regarding the wage increases that will form part of certified agreements which include the Consumer Price Index Uplift Adjustment ('CUA').

This document should be read in conjunction with the provisions of the relevant agreement and supporting consultation material. This document is only relevant to certified agreements that provide a CUA as described in these FAQs.

These FAQs and other supporting materials are developed with the intention of providing general guidance only, and may vary subject to individual employee circumstances.

### **Preamble:**

Each agreement will provide for a wage increase of up to a maximum of 3.5% to be available in each of the three years of the agreement.

The wage increase available each year under an agreement consists of two components:

- A guaranteed wage increase; and
- A Consumer Price Index Uplift Adjustment (CUA).

The different components that make up the wages will apply as follows:

- The guaranteed wage increase will be payable to an employee provided they are employed under the agreement on or after its certification; and
- The CUA is payable where certain criteria are met and is an additional measure designed to top up the guaranteed wage increase for each year of the agreement.

**Definitions:** The FAQs are consistent with the wages provision of the agreement. The definitions provided for in the relevant provision should be referred to in the first instance.

## **KEY CONCEPTS**

### **1. What are the Guaranteed Wage Increases?**

The guaranteed wage increases under agreements that contain a CUA will be as follows:

- For the first year, a guaranteed increase of 3%.
  - This increase will be applied to the higher of the relevant Award or Agreement rate being paid at the nominal expiry date of the previous Agreement.
- For the second year, a guaranteed increase of 2.5%.
  - This increase will be applied to the agreement rate payable for the first year of the agreement (inclusive of both the first year guaranteed increase and the CUA if applicable).
- For the third year of an agreement, a guaranteed increase of 2.5%.
  - This increase will be applied to the agreement rate payable for the second year of the agreement (inclusive of both the second year guaranteed increase and the CUA if applicable).

These wage increases will also be applied to allowances and/or other financial elements under the agreement– see question 11 for more information.

### **2. What is a CUA?**

The CUA is a part of the wage increase designed to respond to inflationary conditions. It responds by 'topping up' the guaranteed wage increases (of 3% in year 1 and 2.5% in years 2 and 3) under the agreement to provide up to a maximum wage increase of 3.5% in each year of an agreement, when certain conditions are met.

For all intents and purposes the CUA is considered and treated as a wage increase under the agreement. Therefore, when the CUA is payable, it will also be applied to any allowances and/or other financial elements of the agreement that increase in line with the guaranteed wage increases – see question 11 for more information.

### **3. Is the CUA the same as the Cost of Living Adjustment (COLA)?**

No. COLA was a one-off payment.

If CUA is payable, it is a wage increase under the agreement for all intents and purposes.

### **4. When is CUA payable?**

A person will only receive a CUA when:

1. The CUA entitlement is triggered; and
2. Either:
  - a. The employee meets the eligibility requirements under the clause; or
  - b. The employee submits information verifying that an exception applies consistent with the clause.

When the CUA is payable, it applies from the date of the relevant wage increase under the agreement, as if it had applied from this date. In some circumstances this may require the back payment of wages.

For example, if the wage increase date under the agreement is 1 August, and a CUA is triggered and becomes payable, it applies from the 1 August wage increase date.

See questions 12 to 20 which provide further information in relation to eligibility.

## **5. How is the CUA triggered?**

A CUA will be triggered where the relevant Brisbane CPI figure as published by the Australian Bureau of Statistics (ABS) exceeds the relevant wage increase provided for that CUA period (as defined in the clause).

## **6. What is the Relevant Brisbane CPI figure used to determine the CUA?**

The Brisbane CPI figure measure, including the relevant years, is provided for in the clause. Generally, it is the relevant through the year March CPI outcome (All Groups Brisbane) as published by the Australian Bureau of Statistics ('ABS'). The ABS will generally publish this figure each year towards the end of April. It is the same Consumer Price Index (CPI) Annual Measure utilised for COLA, starting in 2026.

Importantly, all agreements will be using the same CPI figure to ensure consistent outcomes for wage increases.

## **7. Who will advise if the CUA is triggered?**

The Office of Industrial Relations will seek confirmation and advise entities and payrolls.

## **8. What is the CUA period?**

The definition of a CUA period is provided in the clause and should be referred to. Generally, it is the period between the wage increase date for a particular year as provided under an agreement to the day before the next wage increase date. In the third year (last year of the agreement), it will be the period between the wage increase date to the nominal expiry date.

For example, the wage increase date for year 1 under the agreement is 1 August 2025. Therefore, CUA period 1 will be 1 August 2025 to 31 July 2026. For the third year it will be 1 August 2027 to 31 July 2028.

## **9. By what percentage will the CUA increase wages by?**

If CUA is triggered and payable, the CUA will increase the salary schedule rates contained in the agreement by the percentage difference between the guaranteed wage increase received for that year and the relevant Brisbane CPI figure up to a maximum combined increase of 3.5%.

This means the maximum percentage increase attributable to the CUA under the agreement will be as follows:

- 0.5% for CUA period 1, as the guaranteed wage increase is 3%; or
- 1% for CUA periods 2 and 3, as the guaranteed wage increase is 2.5%.

For example:

- Where the guaranteed wage increase is 3%, if the Relevant Brisbane CPI figure is 3.3%, the CUA will be 0.3%.
- Where the guaranteed wage increase is 3%, if the Relevant Brisbane CPI figure is 4%, the CUA will be 0.5%.
- Where the guaranteed wage increase is 2.5%, if the Relevant Brisbane CPI figure is 3.2%, the CUA will be 0.7%.

**10. What will the impacts of the CUA be on an employee's pay and wages under the agreement?**

It will depend on inflation. The CUA operates as a 'top up' to the guaranteed wage increases provided under an agreement.

It will apply as if the CUA had formed part of the guaranteed wage increase for that year. This means it will apply from the date the guaranteed wage increase for that year was payable.

For example, if the wage increase date was 1 August 2025 and the guaranteed increase was 3%. Then if CUA is triggered and payable to the maximum wage increase amount (i.e. 3.5%). An additional 0.5% will apply from 1 August 2025.

As the CUA is considered a wage increase, it will increase agreement salary schedule rates and any allowances and/or other financial elements under the agreement that grow in line with the guaranteed wage increases.

When a CUA becomes payable:

- Updated rates will be published on a public facing website;
- An adjustment to rates payable will occur (including allowances and/or other financial elements);
- Backpay (where relevant) calculated by reference to the relevant increased rates (including allowances and/or other financial elements), and an employees' earnings.

Any backpay and/or adjustment to wages will take into consideration full-time, part-time, casual, aggregate, and concurrent employment. It will also take into consideration movements between these categories, terminations and rehiring under the agreement.

For example, a part-time employee works 10 hours per week during a CUA period under an agreement and a CUA becomes payable. Any backpay of wages will be based on the 10 hours per week and the increased salary schedule rates, as well as any applicable allowances and/or other financial elements. The future rate of pay will also be based on the hours worked during the period and in accordance with the increased rates.

Where salary schedule rates have increased because of a CUA, the next wage increase (including both the guaranteed wage increase and any CUA) will be applied to the increased rate. The same applies for subsequent wage increases for the agreement, and allowances and/or other financial elements.

## **11. What are the allowances and/or other applicable financial elements to which both the guaranteed wage increase and CUA will be applied?**

Some agreements provide that certain allowances and/or other financial elements increase annually in line with guaranteed wage increases provided for under the agreement. This means these entitlements that grow in line with the 3% increase in year 1 and the 2.5% increase in years two and three of the agreement.

These allowances are generally identifiable as they are:

- Included in a specific schedule, or
- They increase each year in the agreement in line with the guaranteed wage increases.

Consistent with the clause, these entitlements will also increase when the CUA is payable.

Entities are responsible for identifying these and informing employees and payrolls of the allowances and/or other financial elements that both increase with a guaranteed wage increase as well as when a CUA is payable. Entities are also responsible for updating these rates, in addition to the salary schedules and publishing these on a public facing website.

## **ELIGIBILITY**

### **12. Are all current employees eligible for CUA?**

All current employees, which include full-time, part-time and casual employees (including temporary employees) under the agreement may be eligible for CUA provided they meet the specific eligibility criteria contained within the clause in the relevant agreement.

In summary, when a CUA is triggered, a current employee under that agreement will be eligible for that CUA where:

- They are employed under the agreement on or after the day it has been certified by the Queensland Industrial Relations Commission; and
- The CUA has been triggered for a CUA period during which they were employed under the agreement

In addition, casual employees must have performed work under the agreement in the 12 week payroll period immediately prior to the date the CUA entitlement becomes payable. See question 13 for casual employee eligibility requirements.

If an employee is not eligible in accordance with the requirements above, an exception may apply (See question 14).

### **13. What are the eligibility requirements for current casual employees?**

A casual employee will be eligible for a CUA where they are able to meet each of the following criteria:

- Employed under the agreement on or after the date it is certified; and
- Employed under the agreement during a CUA period when the CUA is triggered; and
- Employed under the agreement at the date the CUA entitlement is payable and have performed work under the agreement in the 12-week payroll period immediately prior to that date (i.e. they are a 'current employee' on that date).

For casual employees it will be important to understand the date at which the CUA becomes payable. This will be the latest of:

- The date the CUA is triggered;
- The date the agreement is certified; and
- The first date the employee was employed under the agreement during a CUA period when the CUA was triggered.

Whichever date is the latest, is the date a casual employee must:

- Remain under the agreement on; and
- Have performed work in the 12 week payroll period immediately prior.

For example, if the CUA has been triggered, and the employee is employed during a CUA period, and the latest date is the certification date, the employee must remain employed under the agreement at that certification date. They must also have performed work in the 12 week payroll period immediately prior to that certification date.

#### **14. What happens if a person is no longer a current employee, but would have met the eligibility requirements (i.e., an exception may apply)?**

If a person is not a current employee on the date the CUA entitlement becomes payable (including where they have moved to another agreement or left employment), they may become eligible for the CUA where an exception applies in accordance with the clause. This includes casual employees who are not eligible as they did not work a shift 12 weeks prior to the requirements being met as identified at question 13.

In order to establish that an exception applies a person must have:

- Worked under the agreement on or after the day it has been certified by the Queensland Industrial Relations Commission; and
- The CUA has been triggered for a CUA period when they were employed under the agreement

The person must provide the relevant information required by payroll to confirm that an exception applies for a CUA consistent with the requirements in the clause. When an exception applies a person will then become eligible for a CUA.

#### **15. If a person is not eligible for CUA but are seeking to become eligible through the exception requirements, what do they need to do?**

Where a CUA is triggered, a person who is not eligible, but is seeking to become eligible through the exception requirements, will need to provide the relevant information required by payroll confirming they were employed under the agreement during the relevant CUA period. They may also be required to provide additional information such as banking details to ensure appropriate payment can be made.

If this circumstance applies contact is to be made with the relevant contact as provided in the clause.

**16. Are people who leave prior to an agreement being certified entitled to the guaranteed wage increases and CUA?**

No.

**17. Does the CUA apply to Senior Officers (SO) and Senior Executive Service (SES) employees?**

The Public Sector Commission Directives determine the wages and conditions that apply to these employees.

However, an employee may be eligible for a CUA in relation to their previous employment under an agreement prior to becoming an SO or SES as they meet the eligibility requirements. Similarly, an exception may also apply – refer questions 14 and 15.

**18. When a CUA becomes payable, will future employees be entitled to the benefit of the adjusted rates resulting from that CUA?**

Yes, once a CUA becomes payable, the rates contained in the agreement will be adjusted. This means even if a person becomes employed after the CUA becomes payable, they will receive the increased rates that reflect the CUA from the time they commence employment under the agreement.

Further, provided they remain employed under the agreement they may also be eligible for any future increases (including guaranteed wage increases and the CUA).

**19. How long do eligible employees need to remain under the agreement in order to receive a CUA?**

Employees who are eligible for a CUA do not need to remain employed under the relevant agreement until Payroll process their CUA entitlement.

Regardless of when payroll process the CUA, eligible employees will receive payment when they have either met the eligibility requirements.

**20. What happens if an employee does not work on the date the CUA is triggered, payable or paid by payroll?**

An employee does not have to work on the day or date the CUA is triggered, becomes payable or when it is paid by payroll.

Provided that the employee meets the eligibility requirements, or an exception applies, they will receive the CUA.

## **EMPLOYEE MOVEMENTS**

**21. What happens when an employee changes agreements midway through a CUA period?**

Where both agreements provide for a CUA, and it becomes payable, the employee may receive CUA under both agreements. This may also be the case where an employee has worked under more than two agreements i.e., multiple agreements.

The entitlement will be subject to the employee meeting the relevant eligibility requirements or establishing that an exception applies. The amount of payment will be based on the portion of employment under each agreement during the relevant CUA period and calculated based on the relevant salary schedule taking into consideration, full-time, part-time and casual employment.

## **22. How are higher duties treated for the purposes of the CUA?**

If a CUA becomes payable and increases the salary schedule rate of pay for either the substantive classification level or the higher classification level, the higher duties amount will be adjusted accordingly and any relevant payments made. The eligibility and exception arrangements provided for in the clause continue to apply.

Where the substantive classification level rate of pay becomes higher than the higher classification level as a result of the CUA becoming payable, the relevant industrial (award and agreement) and statutory instruments (directives) should be referred to with respect to treatments. This will be relevant where higher duties are undertaken across agreements.

## **23. How will a secondment impact the CUA?**

Undertaking a secondment will not impact an employee's ability to claim a CUA when payable under a relevant agreement.

Where an employee was employed under an agreement during a CUA period and a CUA was triggered, but they are on secondment and not currently covered by the agreement when the CUA is triggered and becomes payable, they will need to submit the relevant information verifying that an exception applies to become eligible for the CUA – see questions 14 and 15.

Payment to an employee in this circumstance will take into consideration their earnings under the relevant agreement during the CUA period and take into consideration full-time, part-time and casual employment.

Upon an employee's return from their secondment, they will be paid in accordance with the relevant adjusted rates under the agreement, inclusive of any CUAs previously triggered.

## **24. What is the time limit on someone submitting information seeking to claim the CUA on the basis that an exception applies?**

Where a person considers an exception applies, they should make contact with their previous employers and submit the relevant information required as soon as possible to initiate the process.

Where a person considers that an exception may apply, but have not submitted paperwork to confirm this, any entitlement will be informed by the relevant statutory timeframes. If entities require further information, they should contact the Office of Industrial Relations.

## **25. How will a mobility arrangement impact the CUA?**

Where an employee undertakes a mobility arrangement, CUA impacts will depend on the nature and terms of the arrangement.

This also applies to someone who was on a work performance or interchange arrangement prior to the commencement of the *Public Sector Act 2022* as they are taken to be a mobility arrangement from commencement of that Act.

## **26. What happens if an entity is subject to a machinery of government (MoG) change?**

There will only be impacts on CUA arrangements where an employee's agreement coverage changes due to a MoG change.

The nature of the impacts will depend on the timing of the MoG change and the point at which the CUA becomes payable for each relevant agreement.

If an employee is covered by a new agreement as a result of a MoG change, the rates paid to the employee under the new agreement will reflect any increases to rates (including CUAs) that have previously become payable under that agreement. The employee may also be eligible for further increases to rates (including CUAs) that become payable under that agreement.

If an employee is no longer covered by an agreement as a result of a MoG change, but would otherwise have been eligible for a CUA, they will need to submit information to the relevant payroll confirming that an exception applies to become eligible for the CUA under the previous agreement – see questions 14 and 15.

If an employee was eligible for a CUA under an agreement prior to the MoG change, they remain eligible for that CUA.

As the CUA tops up the wage increases under an agreement for the relevant year, the amount of any CUA payment received will take into consideration their earnings under each relevant agreement and take into consideration full-time, part-time and casual employment.

## **LEAVE**

### **27. How will leave impact the CUA?**

Consistent with arrangements for guaranteed wage increases and their application to earnings under agreements, periods of paid leave will also be reflective of the CUA when payable.

## **PAYMENT PROCESSING**

### **28. When a CUA becomes payable, how long until any relevant back payment is processed, and the new rates applied?**

For current employees it may take some time for payrolls to make system adjustments based on the updated salary schedules and any allowances and/or other financial elements. If back payment of wages is required, the relevant clause should be referred to for timeframes.

If a person is not a current employee and not eligible, but an exception applies, they will need to submit the relevant information and timeframes will vary based on individual payrolls and pay run processing arrangements where an exception applies.

### **29. If an employee is delayed in submitting paperwork for changed employment arrangements e.g., change to part-time, how will this impact the CUA?**

All paperwork relating to changed employment arrangements should be promptly submitted. Such paperwork includes changes of hours, increments and leave without pay applications.

Where paperwork impacting the calculation of an eligible employee's CUA is submitted for processing in a delayed manner, any resulting overpayments or underpayments will be managed in accordance with usual practices and relevant laws.

## **OTHER MATTERS**

### **30. Will the salary schedule rates be adjusted as provided for in the agreement when a CUA has been triggered and becomes payable?**

Agreements will not be amended to reflect increased rates resulting from a CUA becoming payable.

When the CUA becomes payable, an entity will be required to publish updated rates (inclusive of those allowances and/or other elements that usually increase in accordance with the wage rates) on a public facing website of the relevant entity. This will ensure those people who are no longer current employees will have access to information that may be relevant to them.

### **31. How does the CUA impact circumstances where an employee receives the Award rate of pay due to a State Wage Case?**

The CUA operates as a wage increase under the agreement. It will not be paid on top of the award rate should the award rate become payable during the life of a certified agreement.

A person will still receive the full CUA where payable in accordance with their relevant industrial instruments.

### **32. How will the CUA impact taxation, superannuation, workers compensation, income protection or other payments?**

Employees should seek independent financial advice on any impacts associated with the CUA relevant for their individual circumstances.

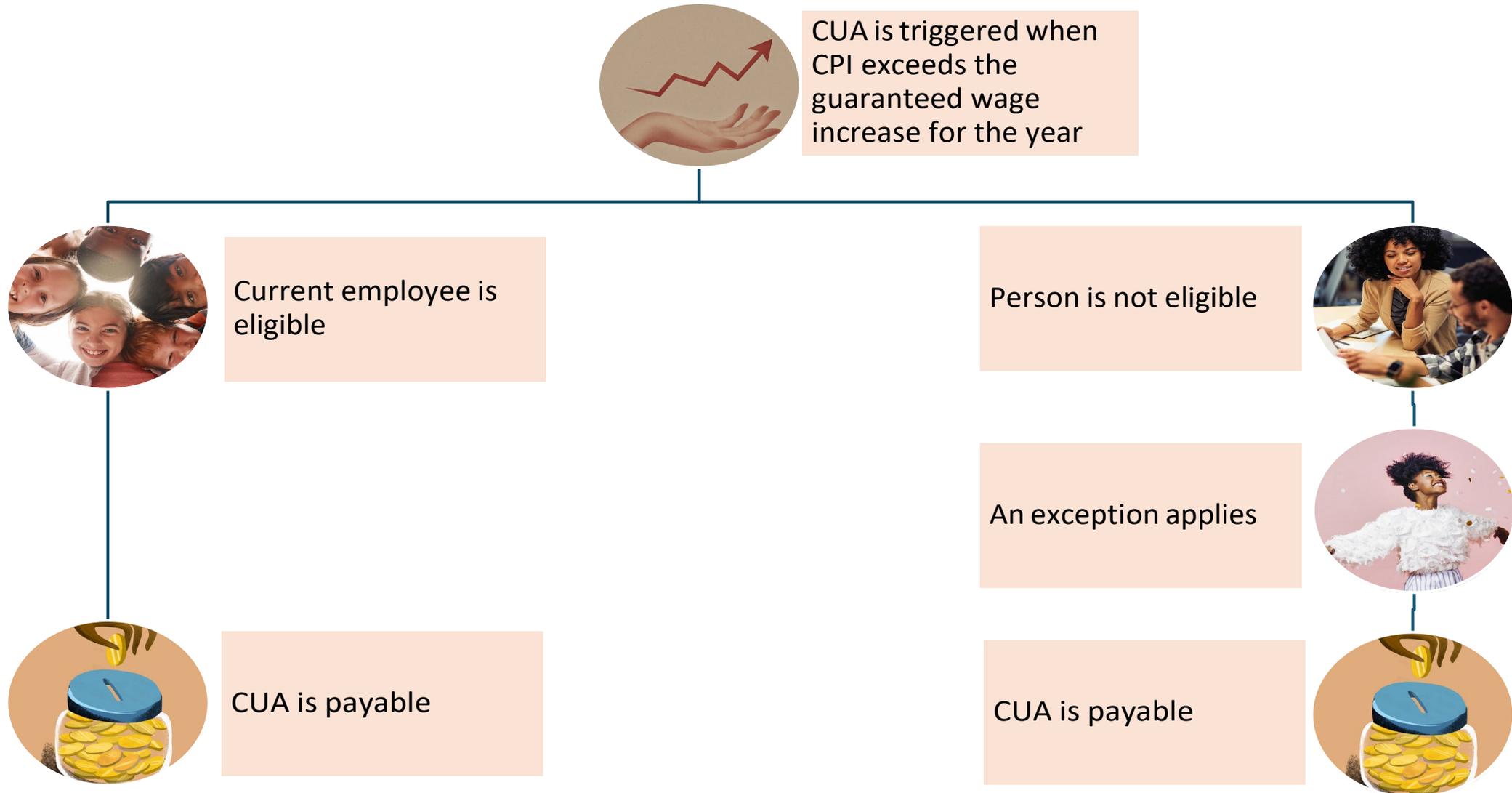
# CUA visual aides

These visual aides are intended to support understanding of key concepts related to the CUA as part of the proposed agreement. They should be interpreted consistent with the requirements of the clause. The relevant clause should be referred to for relevant definitions.

# Wage increases under the proposed agreement

	Headline Wage Increase			Relevant through the year Brisbane CPI figure
	Maximum Possible	Guaranteed Increase	CUA (if triggered)	
Year 1	3.5%	3%	Up to 0.5%	March 2026
Year 2	3.5%	2.5%	Up to 1%	March 2027
Year 3	3.5%	2.5%	Up to 1%	March 2028

# CUA overview



# When is the CUA triggered

What is the guaranteed wage increase for the period

- For year 1 (CUA period 1) this will be 3%
- For years 2 and 3 (CUA periods 2 and 3) this will be 2.5%

Relevant Brisbane CPI figure

- For year 1 (CUA period 1) this will be the through the year March 2026 Brisbane (All Groups) CPI figure
- For year 2 (CUA period 2) this will be the through the year March 2027 Brisbane (All Groups) CPI figure
- For year 3 (CUA period 3) this will be the through the year March 2028 Brisbane (All Groups) CPI figure

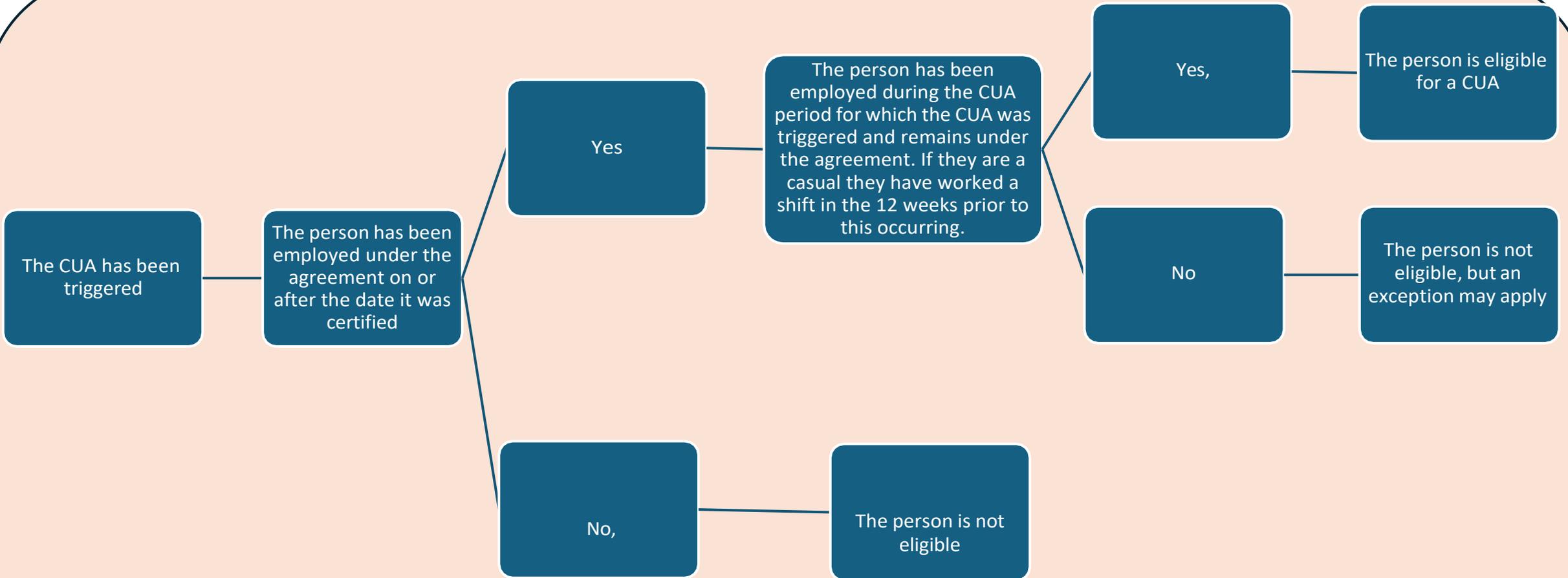
Is relevant Brisbane CPI figure higher than guaranteed wage increase

- For year 1 (CUA period 1) 2026 CPI measure is **higher** than 3%
- For year 2 (CUA period 2) 2027 CPI measure is **higher** than 2.5%
- For year 3 (CUA period 3) 2028 CPI measure is **higher** than 2.5%

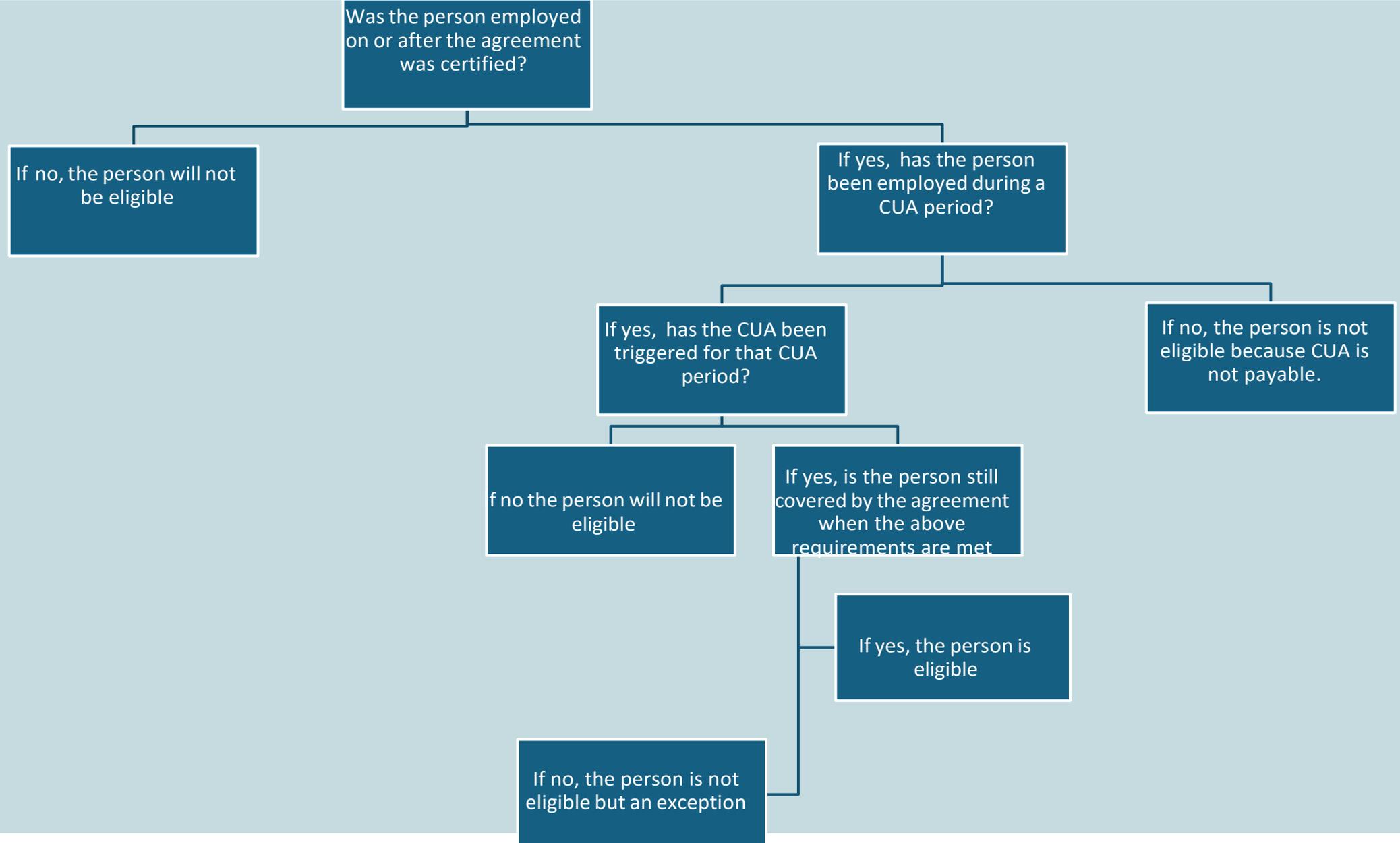
Capped to a maximum of 3.5%

- For year 1 (CUA period 1) the maximum CUA amount that can be triggered is 0.5%
- For years 2 and 3 (CUA periods 2 and 3) the maximum CUA amount that can be triggered in a year is 1%

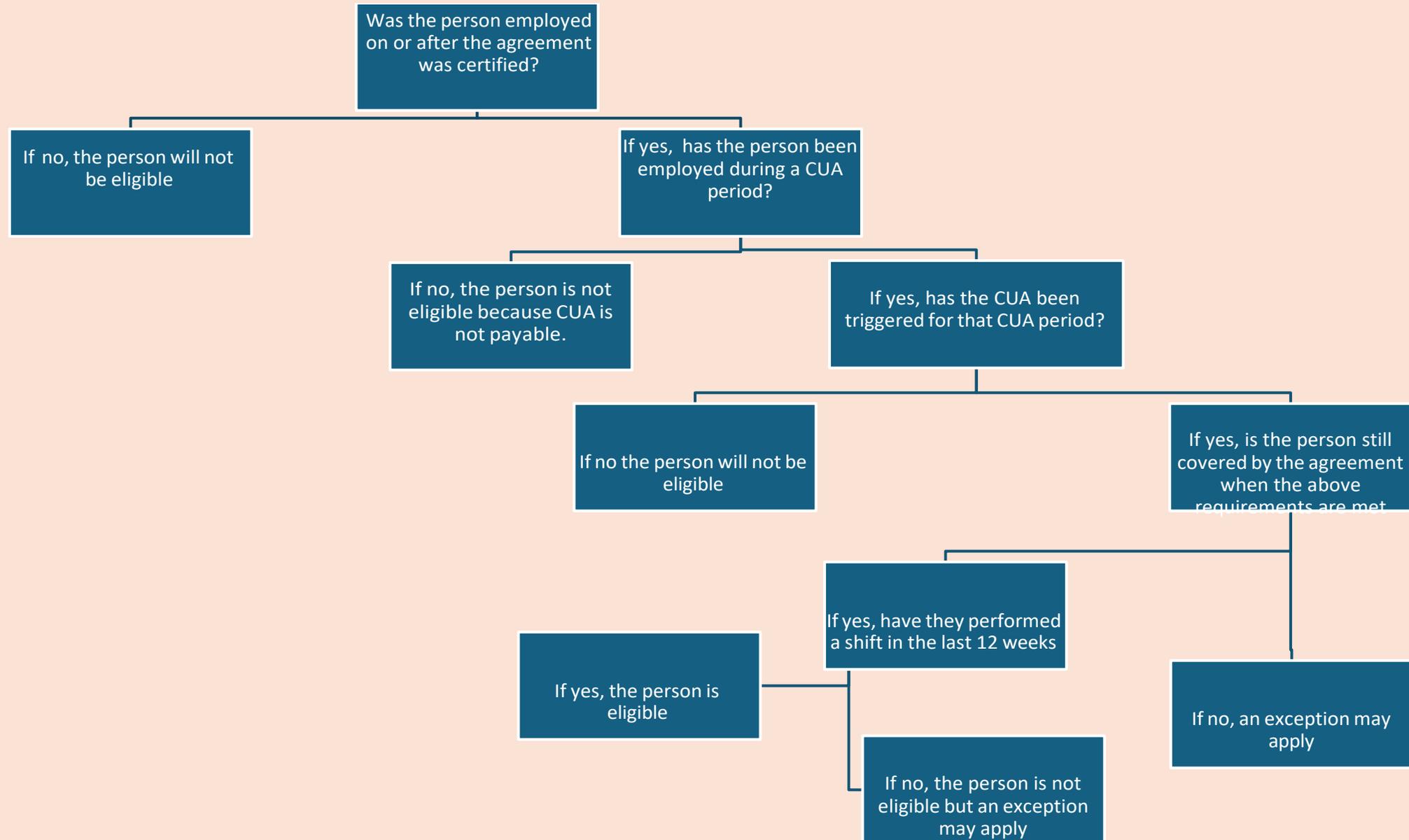
# CUA eligibility and exception pathways overview



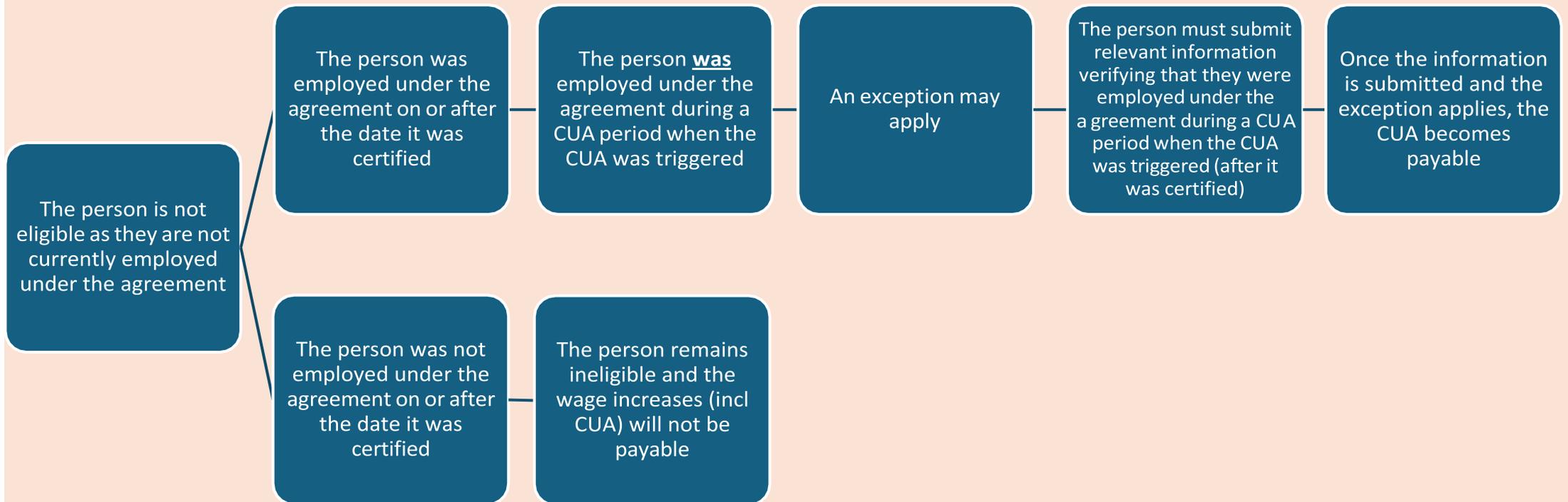
## Eligibility pathway: current full-time and part-time employees



## Eligibility pathway: current casual employees



# Exception pathway

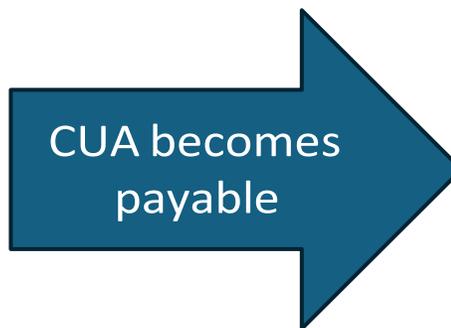


# CUA Becomes payable

- When the CUA is triggered and a person is either eligible or an exception applies the CUA becomes payable and essentially becomes a 'top up' to the guaranteed wage increase.

## Example salary schedule before CUA is payable

Salary schedule before guaranteed increase and CUA	Salary schedule with guaranteed increase of 3%
<b>30 June 2025</b>	<b>1 August 2025</b>
\$60,000	\$61,800
\$70,000	\$72,100
\$80,000	\$82,400



## Example salary schedule after CUA is payable

Salary schedule after guaranteed increase of 3% and maximum CUA of 0.5% applied	Next guaranteed increase applied on top of the previous rate (incl. guaranteed increase and CUA)
<b>1 August 2025</b>	<b>1 August 2026</b>
\$62,100	\$63,652.50
\$72,450	\$74,261.25
\$82,800	\$84,870