Australian Government

Fair Work OMBUDSMAN

Office of the Fair Work Ombudsman

Annual Report 2025–26

Australian Government

Fair Work
OMBUDSMAN

The Hon Amanda Rishworth MP
Minister for Employment and Workplace Relations
Parliament House
CANBERRA ACT 2600

30 September 2026

Dear Minister,

In accordance with section 686 of the *Fair Work Act 2009* (FW Act) and section 46 of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act), I am pleased to submit the Office of the Fair Work Ombudsman's (FWO) Annual Report for the financial year ending 30 June 2026. It includes information on the FWO's general organisation, administration and performance.

As the Accountable Authority for the FWO, pursuant to section 17AG of the PGPA Rule 2014, I certify that we have:

- fraud risk assessments and fraud control plans
- appropriate fraud prevention, detection, investigation and reporting mechanisms that meet the specific needs of the FWO
- taken all reasonable measures to deal appropriately with fraud.

Yours sincerely,

Anna Booth
Fair Work Ombudsman

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Acknowledgement of Country

The Office of the Fair Work Ombudsman acknowledges the Traditional Custodians of Country throughout Australia and their continuing connection to land, waters and community. We pay our respect to them and their Cultures, and their Elders, past and present and extend that respect to all Aboriginal and Torres Strait Islander peoples today.

About our artwork: **Stepping Forward**

Stepping Forward represents taking the next step on the journey towards reconciliation and the potential possible when everyone is included. Connecting with diverse peoples; meeting, listening and sharing together can build respect and trust. Working in concert for a common purpose and united in the mission to make meaningful change. It serves as a reminder of the dynamism and vibrancy of First Nations peoples and the lands from which they come, making the emergence of new ideas and ways of being possible that enables the envisioning of a brighter future.

Artist: Timothy Buckley





Message from the Ombudsman

I am pleased to present the FWO Annual Report 2025–26, which demonstrates the progress we have made against our 2025–26 Corporate Plan. In that plan we articulated our 'Working for Fairer Workplaces' vision supported by 6 strategic objectives, with a range of activities designed to achieve them. Our 6 strategic objectives include the following:

- Employers and workers know about the Fair Work Ombudsman and what we do.
- Employers and workers understand their workplace rights and obligations.
- Disputes about compliance with workplace laws are resolved by dispute resolution and the use of enforcement tools.
- Non-compliance is deterred through strategic compliance and enforcement activities.
- Serious and/or systemic non-compliance is detected and addressed.
- Our systems, capabilities, and ways of working support our people to deliver our objectives.

This report shows that we delivered most of the activities we committed to and met the Key Performance Indicators we adopted to measure our success. However, there is much more work ahead to achieve a culture of compliance in Australian workplaces. This Annual Report outlines our progress so far, while our Corporate Plan 2026–27 reveals the next steps.

Strategic enforcement and regulatory priorities

This year, we continued to invest in our strategic enforcement model, which guides our compliance and enforcement approach to allegations, evidence and suspected instances of potential law-breaking activity, and has seen us contribute to the whole of Government Regulatory Reform agenda. (See page 26, Streamlining and simplifying regulatory processes.)

Our model comprises the FWO's 3 main responses to allegations or instances of non-compliance and our commitment to:

- encouraging voluntary compliance
- guiding compliance where required
- enforcing the law when it is in the public interest.

Our strategic enforcement approach recognises that workplace non-compliance exists along a continuum, from inadvertent mistakes through to deliberate, serious, and systemic misconduct. It requires us to respond proportionately, using the right combination of education, advice, dispute assistance, investigation and enforcement tools for the circumstances. (See page 24, Our strategic enforcement approach.)

Our regulatory priorities are also central to our approach. In 2025–26 our priorities were:

- aged care services
- agriculture
- building and construction
- disability support services
- fast food, restaurants and cafés
- large corporates
- universities.

These priorities guide how we allocate resources, respond to requests for assistance, target education and engagement activities, and direct proactive compliance and enforcement efforts. (See page 34, Priority sector outcomes.)

The introduction of a framework that supports prioritisation and categorisation has further strengthened our ability to make consistent, informed and efficient decisions about how we prioritise matters and allocate investigative resources. The framework supports staff to manage the significant volume and complexity of matters we receive while ensuring resources are directed to areas of greatest risk and likely impact.

Compliance and enforcement outcomes

In 2025–26, we recovered more than $453 million in unpaid wages for more than 181,000 workers, demonstrating the impact our strategic enforcement approach is having for Australian workers. We also continued to oversee complex remediation programs, promote payroll governance and remediation guidance, and take court action against businesses where serious, significant or systemic breaches required a stronger regulatory response. (See page 60, Serious and systemic non-compliance.)

Through our dispute assistance services, most straightforward workplace disputes were resolved through practical, impartial support that helps workers, employers and representatives understand their rights, obligations, and options. In 2025–26, we helped resolve over 19,000 workplace disputes. Through our dispute assistance services specifically, we recovered more than $10.1 million for 2,976 workers. We also supported applicants through the small claims process, helping secure court-awarded payments of $819,575. (See page 56, Resolving workplace disputes.)

Since commencement of the criminal underpayment offence on 1 January 2025, our criminal investigations function has assessed 50 matters involving suspected criminal conduct. The criminal jurisdiction provides an additional mechanism to address and deter intentional underpayments, while preserving evidence-based, proportionate and public-interest decision-making. (See page 33, Criminal investigations.)

In building and construction, our work reflected the importance of sustained engagement and targeted enforcement. During the year, we continued work under our Building and Construction Enforcement Strategy 2025–2028, with a focus on apprentices and trainees, visa holders and migrant workers, general protections, right of entry, industrial action, sexual harassment and sex-based discrimination. Our apprentice-focused activities, including education and compliance work, demonstrate the role of targeted campaigns in protecting workers at the beginning of their careers. (See page 36, Building and construction.)

In July 2025, we launched an inquiry into compliance in the disability support services sector. During the year, we engaged with workers, managers, business owners, unions, employers, industry bodies and government agencies to better understand barriers to compliance and identify opportunities to drive systemic change. (See page 38, Disability support services.)

Education and advice

Providing accessible, reliable information remains fundamental to promoting voluntary compliance. Our website continued to be our primary customer service channel, providing information, tools and resources to workplace participants and their representatives. We also provided access to education through webinars, social media posts and on-demand content, enabling more people to access information in ways that suit their needs and circumstances. (See page 50, Education, advice and assistance, and page 45, Increasing trust and awareness.)

We also continued to support a range of government and parliamentary inquiries relating to workplace relations matters. During the year, we provided information and assistance, where appropriate, to inquiries examining issues including wage theft and the National Employment Standards. These contributions drew on our regulatory experience and operational insights to support evidence-based consideration of workplace relations issues.

Collaboration

The FWO recognises we are one part of the broad workplace relations ecosystem and that we cannot achieve our objectives alone. Promoting stronger workplace law compliance requires collaboration across the workplace relations community, including between employer organisations, unions, government agencies, workers, employers and other regulators.

Our partnerships with other regulators have deepened, helping us to maximise effectiveness across government and deliver improved outcomes in areas of shared responsibility. We continued our collaboration with Australian Border Force to protect vulnerable migrant workers and address exploitation through joint inspection activities in multiple locations, and worked with the Australian Taxation Office on hospitality and sham contracting compliance activities. (See page 43, Working with other regulators.)

Parallel regulation complements our own functions by helping us detect patterns, share intelligence and respond more effectively to risks that do not sit neatly within one agency's remit. For example, we are currently consulting on a Sham Contracting Strategy in response to shared intelligence, our own enforcement experience and community insights revealing concerning patterns of behaviour across several industries. (See page 62, Sham contracting.)

Tripartism has also continued to strengthen our regulatory approach. Through our Advisory Group, sub-committees and industry Reference Groups, we have worked with employer organisations, unions, government bodies and other stakeholders to share intelligence, test emerging issues and co-design practical resources. This collaborative approach supports mutual respect, trust and consistency across the workplace relations system. It also helps us ensure our education, compliance and enforcement responses are informed by the experiences of those closest to workplace issues. (See page 26, Advisory and Reference Groups.)

During 2025–26, stakeholder input helped inform guidance on representational rights, workplace sexual harassment (see page 37, Sexual Harassment Strategy) and maritime employment, as well as broader regulatory and educational initiatives. Stakeholder collaboration also helped shape emerging strategic work. For example, consultation with the Agriculture Reference Group, together with our own intelligence and enforcement experience, informed the development of our Labour Hire Strategy, which is intended to address high levels of non-compliance among labour hire operators. Through our Advisory Group, sub-committees and reference groups, stakeholders also helped us identify sector issues, test emerging risks and ensure our guidance remained relevant to workplace participants. (See page 61, Supply chains and labour hire.)

Looking ahead

The achievements outlined in this report reflect the dedication and professionalism of our staff and the contribution of the many stakeholders who work alongside us to promote fairer workplaces.

They also reflect the importance of trust:

- that people can come to us for accurate information and practical assistance
- that we will exercise our powers proportionately and consistently
- that we will focus our efforts where they can make the greatest difference.

As we look ahead, our operating environment will continue to evolve. We will continue to use intelligence, collaboration and sound regulatory judgement to respond to emerging risks, support compliance, and take firm action where serious or systemic non-compliance occurs.

We will do so with an ongoing commitment to mutual respect, transparency, consistency and fairness, because these principles are essential to productive, cooperative and compliant workplace relations in Australia.



Anna Booth
Fair Work Ombudsman

Performance snapshot



Recovered more than **$453 million** in unpaid wages for more than **181,000 workers**



Commenced **60** litigations; **58** litigations finalised



Answered **287,150** calls through the Fair Work Infoline



Recovered more than **$10.1 million** for **2,976** workers through dispute assistance services



Completed **2,683** proactive activities, recovering **$45.4 million** in unpaid wages for **13,803** workers



Finalised **19,755** workplace disputes



Issued **1,392** compliance notices, recovering over **$33.1 million** in unpaid wages for more than **17,000** workers



Issued **791** infringement notices, with **$831,891** in penalties paid

Executed **15** enforceable undertakings, recovering more than **$106.6 million** in unpaid wages and entitlements





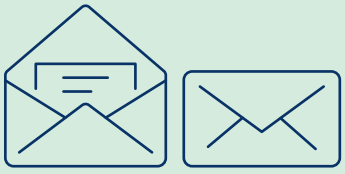
More than **24.2 million** website visits



Provided assistance for **127** small claims with over **$819,000** awarded



31,596 Anonymous reports received (record number)



Sent more than **7.1 million** emails to **444,691** active email subscribers through over **200** email updates and newsletters



Recorded more than **110,000** website page translations through the auto-translation tool



The Record My Hours app was downloaded **20,632** times, the highest annual result since launch



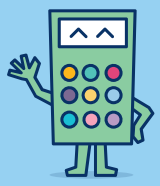
2,445 tailored pieces of written advice through the Employer Advisory Service



Built a combined social media audience of more than **533,000** followers



Published **129** media releases



Recorded more than **5 million** visits to the Pay and Conditions Tool (PACT), with more than **4.6 million** calculations performed



Delivered **22** webinars, generating **9,112** views



Answered **22,101** online enquiries



Responded to **2,197** social media enquiries



Answered **40,187** calls through the Small Business Helpline



Recorded **48,579** online learning course commencements



Generated more than **122 million** social media views



Part 1

Agency overview

Outcomes and planned performance

Agency structure

Outcomes and planned performance

Government outcomes are the intended results, impacts or consequences of actions by the Government on the Australian community. Commonwealth programs are the primary vehicle by which government entities achieve the intended results of their outcome statements. Entities are required to identify the programs which contribute to government outcomes over the Budget and forward years. The FWO has a single outcome and associated program, as outlined in the Portfolio Budget Statements 2025–26:

Outcome 1

Compliance with workplace relations legislation through advice, education and, where necessary, enforcement.

Program 1.1 – Education services and compliance activities

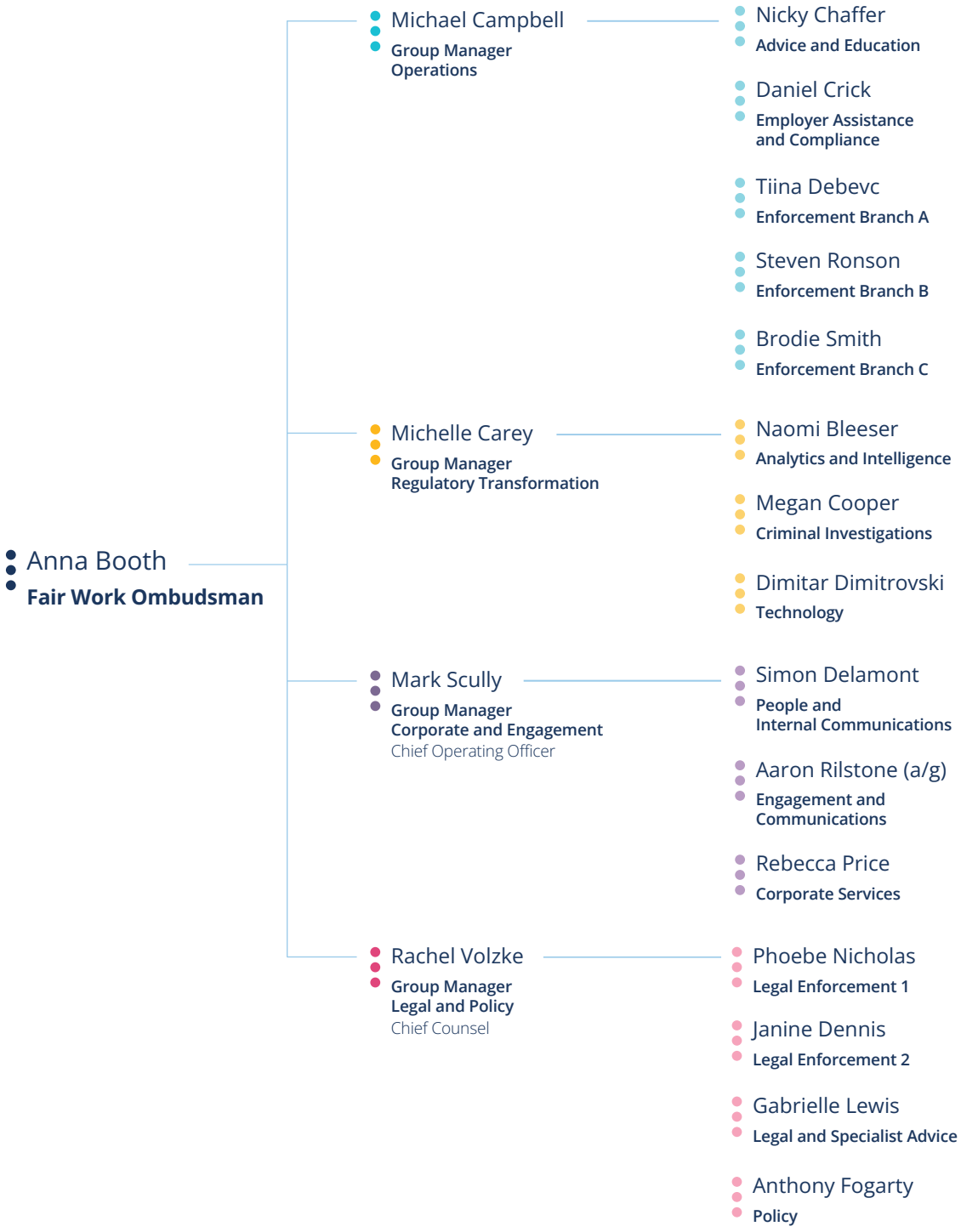
To educate employers, employees, organisations and contractors about the workplace relations system and to ensure compliance with workplace laws.



From left to right: Michelle Carey – Group Manager Regulatory Transformation, Anna Booth – Fair Work Ombudsman, Michael Campbell – Group Manager Operations, Mark Scully – Group Manager Corporate and Engagement, Rachel Volzke – Group Manager Legal and Policy.

Agency structure

Figure 1: Office of the Fair Work Ombudsman organisational structure as at 30 June 2026



Note: Anna Booth, the Fair Work Ombudsman, is the agency head for the purposes of the *Public Service Act 1999* and is the Accountable Authority for the purpose of finance laws. Louise Peters held the position of Executive Director, Engagement and Communications until 9 December 2025.



Part 2

Performance report

Annual Performance Statement 2025–26

Our strategic enforcement approach

Priority sector outcomes

Strategic initiatives

Increasing trust and awareness

Education, advice and assistance

Resolving workplace disputes

Serious and systemic non-compliance

Annual Performance Statement 2025–26

Statement of preparation

I, Anna Booth, as the Office of the Fair Work Ombudsman's Accountable Authority, present the 2025–26 annual performance statements as required under paragraph 39(1)(a) of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act). In my opinion, the statements are based on properly maintained records, accurately reflect the agency's performance for the period 1 July 2025 to 30 June 2026 and comply with subsection 39(2) of the PGPA Act.



Anna Booth
Fair Work Ombudsman

25 September 2026

Purpose

The Office of the Fair Work Ombudsman (FWO) is the Australian Government agency responsible for ensuring compliance with workplace relations laws through advice, education and, where necessary, enforcement. Our purpose, derived from the *Fair Work Act 2009* (FW Act) is to promote harmonious, productive, cooperative and compliant workplace relations in Australia.

Reporting framework

Our performance framework articulates clear and measurable outcomes and provides accountability for the work that we do to support our functions, key activities and priorities. We are committed to ensuring a high quality of service in performing our duties as the federal workplace regulator. The FWO measures its performance against its purpose using measures and targets that provide a clear line of sight between our outcomes and the Portfolio Budget Statements (PBS) and the Corporate Plan.

Performance

Our performance measures for 2025–26 demonstrated our commitment to promote compliance with workplace laws by supporting the community to understand and comply with their workplace relations obligations. In particular:

- the level of awareness of the FWO in the workplace community
- the quality of our advice and assistance services
- the effectiveness of our digital tools
- the timeliness of the assistance we provide in finalising workplace disputes
- the use of enforcement tools to achieve compliance with workplace laws
- developing and publishing our priorities, and
- our staff are supported, engaged, committed and prepared to achieve our objectives.

Summary of results

The annual performance statements provide the results of the agency's performance for the reporting period. This completes the cycle of performance reporting that commenced with the 2025–26 Portfolio Budget Statements published 25 March 2025 and the Corporate Plan published on 25 August 2025.

Our overall performance for 2025–26 resulted in achieving all 9 of our published Key Performance Indicators (KPIs). One performance measure remained under development during this period and therefore achieved no result

KPI #	KPI	Result
1	We will increase the level of workplace community awareness of the FWO	Achieved
2.1	The Fair Work Infoline provides high quality advice and assistance	Achieved
2.2	The Employer Advisory Service provides written information and advice that helps small business customers to understand their workplace rights and obligations	Achieved
2.3	FWO's digital tools are effective	Achieved
3.1	The FWO will resolve Requests for Assistance involving workplace disputes in a timely manner to achieve compliance with workplace laws	Achieved
3.2	The FWO will use enforcement tools to achieve compliance with workplace laws	Achieved
4	The FWO will develop and publish its areas of priority	Achieved
5	Serious and/or systemic non-compliance is detected and addressed	Under development – no result
6.1	FWO employees are engaged, committed and prepared to achieve our objectives	Achieved
6.2	FWO employees feel supported by the FWO	Achieved

Our performance measures cover a mix of outputs, efficiency and effectiveness, which we continue to review to ensure we accurately reflect the agency's purpose, functions and strategic objectives.

We use data that is reliable, verifiable and supported by good governance and assurance processes. Our performance results this year may have been influenced by the growing use of Artificial Intelligence (AI) tools, reflecting broader trends across government following the emergence of new AI technologies and a shift in the way users of government services find and access information.

Throughout the reporting period, we delivered a range of high-quality services, resources and products that supported harmonious, productive and compliant workplace relationships across Australia, consistent with our statutory functions under the Fair Work Act. These results demonstrate our ongoing commitment to achieving our purpose.

KPI review

In 2024–25, we undertook a comprehensive review of our performance measures and continue to monitor and refine them to ensure they remain aligned with our strategic priorities and provide a meaningful assessment of our performance.

As a result of this continued refinement, we implemented the following improvements in the 2025–26 reporting period:

- KPI 1 is a new measure for the 2025–26 reporting period. The 2025–26 PBS indicated KPI 1 would measure knowledge of the FWO, however KPI 1 was implemented to measure awareness, consistent with the information published within the 2025–26 Corporate Plan.
- Within the 2024–25 Corporate Plan and the 2025–26 PBS, KPI 3.1 incorrectly reflected the measurement of time within the performance measure, rather than the intended measurement of the percentage of finalised Requests for Assistance involving a workplace dispute within a specified timeframe. The performance measure was amended within the 2025–26 reporting period to reflect the intended measurement.
- KPI 4 has been renumbered for the 2025–26 reporting period (this KPI was identified within the 2024–25 reporting period as KPI 4.1).
- Within the 2024–25 reporting period, Strategic Objective 5 was identified as 'Serious and systemic non-compliance is detected and addressed'. This was changed in 2025–26 to 'Serious and/or systemic non-compliance is detected and addressed', with this KPI remaining under development.

Detailed results and analysis

Section 1: Performance measures relating to our activities in providing education, assistance, advice and guidance to employers, employees, regulated workers, regulated businesses, persons in a road transport contractual chain, outworkers, outworker entities and organisations.

KPI 1: We will increase the level of workplace community awareness of the FWO.

Source:

- 2025–26 FWO Corporate Plan
- 2025–26 Portfolio Budget Statements, Outcome 1 – Program 1.1 – page 174.

	2024–25	2025–26		
Performance measure	**Result**	**Target**	**Result**	**Achieved**
Percentage of surveyed Australian workplace community aged 16 plus who say they are aware of the FWO somewhat or very well.	N/A (KPI created 2025–26)	Equal to or greater than 43%	49%	Yes

Measurement methodology

Survey population

Via an external provider, the FWO conducts an annual survey to assess the Australian workplace community's awareness of the FWO.

The survey is conducted online and includes a nationally representative sample of workers and employers aged 16 and over.

The final result is calculated as a percentage based on the number of respondents who rated their awareness of the FWO according to one of the following: 'Somewhat well; Very well', out of the total number of respondents.

Survey question

Survey respondents are asked the following question:

> *For each of the organisations below, please indicate how well you know each one, taking into account all the ways you have learned about or had contact with each organisation.*

Response options are available for 4 Commonwealth agencies, including the FWO.

Survey distribution

The survey was conducted online and completed by a nationally representative sample of n=2,000 workers and n=400 employers aged 16 plus recruited via an online panel.

Survey frequency

The survey is conducted in the first quarter of each financial year to ensure comparability of results year-on-year.

Survey response rate and result

The survey achieved its target completion rate of 2,400 responses.

The final result was calculated as a percentage based on the number of respondents who rated their awareness of the FWO according to one of the following: 'Somewhat well; Very well.', out of the total number of respondents.

Data gathered through the survey process has a margin of error (±2.2%).

Analysis and further information

KPI 1 measures the FWO's effectiveness in increasing community awareness of the FWO. To undertake our regulatory functions, it is important for the community to know who we are and what we do. The process of testing awareness levels year on year will assist us to appropriately design and tailor activities to key audience cohorts.

The 2025–26 result represents the first reporting period for KPI 1 to establish a standard against which future performance will be assessed and follows an initial baseline activity in 2024–25 which assisted in determining an appropriate target. As limited comparative data is currently available, it is not yet possible to identify meaningful trends or draw conclusions about long-term performance patterns, however we saw positive improvements against the results of the initial benchmarking exercise. Future reporting will provide greater insight into whether the result reflects a sustained level of performance or normal year-to-year variation.

Over coming years, performance against KPI 1 will be monitored in the context of a range of internal and external factors that may influence results. These include changes in stakeholder expectations, shifts in government priorities, the volume and complexity of communication activities undertaken, and broader changes in the media and digital communication environment. Variations in resourcing, organisational priorities, and audience behaviours may also impact performance over time.

As additional years of data become available, analysis will focus on identifying emerging trends, understanding the drivers of performance, and assessing the effectiveness of initiatives implemented to improve outcomes. This will support more robust benchmarking and provide a stronger evidence base for evaluating whether performance is improving, remaining stable, or declining against the established baseline.

Future analysis will also consider any changes to methodology, data quality, or measurement approaches to ensure that year-on-year comparisons remain meaningful and that results accurately reflect performance against the KPI.

KPI 2.1: The Fair Work Infoline provides high quality advice and assistance

Source:

- 2025–26 FWO Corporate Plan
- 2025–26 Portfolio Budget Statements, Outcome 1 – Program 1.1 – page 174
- S 682(1)(a) *Fair Work Act 2009* – to provide education, assistance, advice and guidance to employers, employees, regulated workers, regulated businesses, persons in a road transport contractual chain, outworkers, outworker entities and organisations.

	2024–25	2025–26		
Performance measure	**Result**	**Target**	**Result**	**Achieved**
Percentage of customer survey responses demonstrating a rating of satisfied or better	84%	Greater than 75%	82%	Yes

Measurement methodology

Survey population

The FWO will undertake ongoing surveys to determine FWO Infoline customer satisfaction levels. A sample of customers who have interacted with our advisers through the Fair Work Infoline will be asked to participate in the surveys. Customers are randomly selected to participate in the survey within 5 business days of their phone enquiry to the Fair Work Infoline being closed as advice provided.

The final result will be calculated as a percentage and is based on the total number of customers who responded they were very satisfied or somewhat satisfied with our advice and assistance, divided by the total number of respondents, and multiplied by 100 to get the percentage.

Survey question

Customers are asked the following question:

> *How satisfied were you with the quality of the advice and assistance you received from the Fair Work Infoline?*

Response options available are: 'Very satisfied; Somewhat satisfied; Neither satisfied nor dissatisfied; Somewhat dissatisfied; Very dissatisfied.'

Survey distribution

Customers are invited to participate via direct personalised email containing an individual link to the online survey.

Survey frequency

The survey will be conducted over 2 survey periods each month (approximately 2 weeks apart) to ensure interactions are representative of the whole month.

Survey response rate and result

The total number of incoming calls answered by the Fair Work Infoline for the reporting period was 287,150. The number of customers surveyed for the year was 35,068 (excluding undeliverable invites), which is 12.21% of all incoming calls answered. Of the 35,068 customers surveyed (excluding undeliverable invites), 4849 responded, a response rate of 13.83%

This ensured a 95% confidence level was achieved with a 5% margin of error. In practical terms, this means there is a 95% chance that if we surveyed every phone customer, our results would be within ±5% of the actual result.

The final result was calculated as a percentage and is based on the total number of customers who responded that they were very satisfied or somewhat satisfied with our advice and assistance, divided by the total number of respondents, and multiplied by 100 to get the percentage.

Analysis and further information

Understanding how satisfied a customer was with the advice and assistance they received from the Fair Work Infoline helps to identify whether the current service offering is meeting the needs of our customers and, importantly, opportunities to assess improvements to our services.

In general, the FWO derives significant value from the survey results as they provide insights into both the impact and efficiency of our services. The data and raw text captured in the survey provides valuable evidence for FWO to consider when determining where our services can best add future value.

The performance target of 75% for KPI 2.1 ensures a high level of customer service but also allows for the ongoing, changeable elements of service delivery. While the activity is a long-term agency service, in the past year, the FWO has implemented several changes to adapt to changing customer needs, expectations and respond to customer feedback provided regarding the Fair Work Infoline.

Throughout 2025–26, customer satisfaction remained consistently high. While survey results were largely positive, there was a slight decrease in satisfaction from the preceding year. To better understand the factors influencing customer satisfaction, identify emerging trends, and validate survey data, regular analysis was undertaken. Insights from this analysis informed improvements to Infoline processes and enhancements to existing reporting practices.

The slight decline in this year's satisfaction scores may reflect changing customer expectations regarding the scope of the FWO's role, particularly among customers seeking advocacy services. It may also be influenced by the growing use of AI tools as a source of workplace information before customers engage with the FWO. To respond to these factors, we updated our Service Charter to better align customer expectations with the services we provide in the current operating environment. We also enhanced website content to inform customers that AI-generated information may be outdated, incomplete or inaccurate, and may differ from advice provided by trusted sources, including the Fair Work Infoline.

KPI 2.2: The Employer Advisory Service (EAS) provides written information and advice that helps small business customers to understand their workplace rights and obligations

Source:

- 2025–26 FWO Corporate Plan
- 2025–26 Portfolio Budget Statements, Outcome 1 – Program 1.1 – page 174
- S 682(1)(a) *Fair Work Act 2009* – to provide education, assistance, advice and guidance to employers, employees, regulated workers, regulated businesses, persons in a road transport contractual chain, outworkers, outworker entities and organisations.

	2024–25	2025–26		
Performance measure	**Result**	**Target**	**Result**	**Achieved**
The percentage of EAS customer survey responses demonstrating a rating of satisfied or better - where small business customers identified that the information they were provided helped them to understand workplace rights and obligations.	81%	Greater than 75%	86%	Yes

Measurement methodology

Survey population

Customer satisfaction is measured by monthly surveys. All customers who receive tailored written advice from the EAS in the survey period are invited to participate. This excludes customers who don't receive tailored written advice, for example, because they can't be contacted to gather business details and other information required to respond to their enquiry, they withdraw their enquiry during the process, or their situation changes and they call the Fair Work Infoline to instead receive immediate verbal advice.

Survey question

Customers are asked to respond to the proposition:

> *'Overall I am satisfied with the advice provided'.*

Response options available are: 'Strongly agree; Agree; Neither agree nor disagree; Disagree; Strongly disagree'.

Survey distribution

All customers who receive tailored written advice from the EAS in the survey period are emailed at the time the survey opens with an invitation to participate. The email contains a link to the survey and the date and time the survey closes. Customers who receive more than one piece of written advice in the survey period receive only one invitation to participate.

Survey frequency

The survey is conducted monthly. It remains open for 14 days to provide a reasonable opportunity for customers to complete it in recognition that small business owners are typically time poor. A reminder is sent on day 7 to those who have not yet completed the survey.

Survey response rate and result

The total number of customers invited to participate in surveys during the year was 1,960.

Of those customers invited, 217 responded, resulting in an 11% response rate for the year. Of those who responded to the survey, 206 respondents answered the question: 'Overall I am satisfied with the advice provided'.

The final result was calculated as a percentage and is based on the total number of customers who responded that they 'Strongly agree' or 'Agree' that overall they were satisfied with the advice provided, divided by the total number of respondents, and multiplied by 100 to get the percentage.

Analysis and further information

KPI 2.2 demonstrates the effectiveness of the EAS in delivering clear, practical and trusted advice that helps small businesses resolve workplace relations issues, comply with their obligations, and avoid disputes or potential non-compliance.

The 2025-26 result for KPI 2.2 (86%) exceeds the result for the previous year by 5 percentage points. This improvement reflects ongoing efforts to analyse feedback from small business customers and implement targeted actions to address feedback and opportunities for improvement.

While KPI 2.2 is based on answers to one question from our monthly feedback survey, other survey questions explore customer satisfaction across all aspects of the service. Survey answers and free text comments give us valuable insights into the customer experience and enable us to identify areas we can adjust and improve.

For example, this year's survey results saw an increase in the percentage of customers who agreed or strongly agreed that our written advice 'answered all of my questions', rising to 84% from 77% in 2024–25. Following a detailed analysis of the previous year's survey results and the advice provided to customers, improvements were made to ensure a clearer link between customer enquiries and the advice given. We also strengthened our communication about the limits of the FWO's jurisdiction and the scope of advice we can provide, particularly in situations where customers may need to seek independent legal advice on aspects of their enquiry.

Overall, 95% of survey respondents during the year said they would use the EAS again.

KPI 2.3: FWO's digital tools are effective

Source:

- 2025–26 FWO Corporate Plan
- 2025–26 Portfolio Budget Statements, Outcome 1 – Program 1.1 – page 174
- S 682(1)(a) *Fair Work Act 2009* – to provide education, assistance, advice and guidance to employers, employees, regulated workers, regulated businesses, persons in a road transport contractual chain, outworkers, outworker entities and organisations.

	2024–25	2025–26		
Performance measure	**Result**	**Target**	**Result**	**Achieved**
Percentage of customer responses demonstrating a rating of satisfied or better where customers identified that the information helped them to understand workplace rights and obligations.	82%	Greater than 75%	85%	Yes

Measurement methodology

Survey population

All desktop users who visit the FWO's website (**fairwork.gov.au**) during the survey period were invited to participate in the survey.

Survey question

Users were asked the following question:

> *Did the information you found today help you understand your workplace rights and obligations?*

Survey distribution

The FWO offers desktop users of our website the option to complete an exit survey via a pop-up message on their first visit to **fairwork.gov.au** during the survey week.

Survey frequency

The exit survey is offered quarterly to customers for the duration of a week.

Survey response rate and result

The number of customers surveyed each quarter varies and is based on a formula that uses expected visitor volumes to determine the ideal sample size. The total number of responses received to this question across the four quarters was 1,708.

The confidence level and margin of error are set to ensure that for 95% of the time the results will be ±5% representative of satisfaction levels of web users for the relevant period.

The final result was calculated by taking the total number of customers who answered that they did find the information helpful and dividing it by the total number of responses for all valid responses to that question and multiplying it by 100 to get the percentage.

Definitions

Customers are survey respondents who are asked to self-identify as:

- employees
- employers
- representatives (including accountant, lawyer, HR practitioner, union rep or parent)
- other (including student, media)

Analysis and further information

The website offers a broad range of information and hosts a range of digital tools and resources. KPI 2.3 enables FWO to directly measure the effectiveness of these tools and resources and to understand whether they are fit for purpose and meeting the needs of our users. Information provided by users, including through the survey's free-text field, offers valuable insights into potential areas for improvement.

During 2025–26, FWO's digital tools and resources demonstrated very high performance, exceeding the 75% benchmark. FWO achieved a satisfaction rate of 85%, reflecting the continuous improvement, usability and effectiveness of our digital tools, resources and information.

This year's result confirms that customers are highly satisfied with our digital service offerings and that our online tools and resources are successfully helping users find the information they need and self-resolve their enquiries.

Website usage decreased from nearly 29 million visits in 2024–25 to around 24 million visits in 2025–26, a decrease of roughly 15%, reflecting broader trends across government following the emergence of new AI technologies and a shift in the way users of government services find and access information.

Despite this reduction in usage, the KPI result for 2025–26 is the strongest result FWO has achieved since the KPI's inception. This confirms that users who intentionally visit our website consider our digital services to be highly effective in resolving their enquiry.

Section 2: Performance measures relating to our activities in promoting and monitoring compliance with workplace laws and inquiring into and investigating breaches of the Fair Work Act and taking appropriate enforcement action.

KPI 3.1: The FWO will resolve Requests for Assistance (RfAs) involving workplace disputes in a timely manner to achieve compliance with workplace laws

Source:

- 2025–26 FWO Corporate Plan
- 2025–26 Portfolio Budget Statements, Outcome 1 – Program 1.1 – page 174
- S 682(1)(b) *Fair Work Act 2009* – to monitor compliance with this Act and fair work instruments.

	2024–25	2025–26		
Performance measure	**Result**	**Target**	**Result**	**Achieved**
This will be measured as the percentage of Requests for Assistance involving a workplace dispute which are finalised within 60 days.	93%	80% finalised within 60 days	98%	Yes

Measurement methodology

Method of Calculation

The measure is calculated based on the proportion of the total number of Requests for Assistance involving a workplace dispute that are finalised within 60 days.

The FWO's case management system is used to identify finalised Requests for Assistance involving a workplace dispute.

Definition

A Request for Assistance involving a workplace dispute is where a customer seeks assistance that is beyond the provision of advice (this does not include proactive initiatives or self-disclosures of non-compliance).

Analysis and further information

The primary focus of KPI 3.1 is to measure the FWO's ability to deliver accessible dispute assistance that supports individuals to address and resolve workplace issues. It is an important indicator of the FWO's contribution to timely dispute resolution, informed decision-making by workers and employers, and the collection of intelligence that supports the FWO's broader strategic enforcement approach.

Under our strategic enforcement model, the FWO's primary response to Requests for Assistance is voluntary compliance, supported through the Dispute Assistance service. This enables us to reserve investigative resources for matters involving alleged contraventions that are serious, significant and/or systemic in nature, or where intervention would otherwise serve the public interest.

In meeting KPI 3.1, the FWO demonstrates its strategic goal to strengthen and mature the Dispute Assistance service, investing in capability, refining service delivery models and embedding practices that support both individual dispute resolution and the collection of information that informs compliance and enforcement activities.

The service has expanded its focus on collaborating with internal and external stakeholders to provide individuals with a broader range of options for addressing workplace concerns, enabling them to make informed decisions and access appropriate support and resolution pathways.

Despite sustained growth in demand and team output, performance outcomes have remained strong. This reflects the increased capability and maturity of the Dispute Assistance offering, as well as ongoing improvements to processes and service delivery. The continued investment in skills and capability has enabled the FWO to maintain service quality while responding to a higher volume of requests for assistance and contributing to the organisation's strategic objectives.

KPI 3.2: The FWO will use enforcement tools to achieve compliance with workplace laws

Source:

- 2025–26 FWO Corporate Plan
- 2025–26 Portfolio Budget Statements, Outcome 1 – Program 1.1 – page 174
- S 682(1)(c) *Fair Work Act 2009* – to inquire into, and investigate, any conduct or practice that may be contrary to this Act, a related offence provision, a fair work instrument or a safety net contractual entitlement.

	2024–25	2025–26		
Performance measure	**Result**	**Target**	**Result**	**Achieved**
The percentage of investigations finalised in the reporting period using one or more enforcement tools.	57%	Greater than 40%	56%	Yes

Measurement methodology

Method of Calculation

The performance measure is calculated using all investigations finalised during the reporting period where one or more enforcement tools have been used.

The percentage value is based on the count of finalised investigations involving use of an enforcement tool, out of the total number of finalised investigations in the reporting period.

Enforcement tools include those provided for in the *Fair Work Act 2009*:

- Infringement Notice
- Compliance Notice
- Enforceable Undertaking
- Litigation

Definition

An investigation includes work undertaken by a Fair Work Inspector recorded in one of our internal case management systems, Titan (CRM). Further information about our approach can be found in our Compliance and Enforcement Policy.

Analysis and further information

In 2025–26, the FWO completed a total of 3,157 investigations with 1,771 resulting in the use of enforcement tools. This represents 56% of investigations.

As explained in our Compliance and Enforcement Policy, the use of Compliance Notices and Infringement Notices falls within the category of 'guided compliance'. Such guidance occurs when Fair Work Inspectors, having conducted an investigation, determine it is appropriate to formally direct duty holders, requiring them to undertake certain specified actions and demonstrate compliance with workplace laws. Failure to comply with a Compliance Notice is a civil remedy provision. Furthermore, if an employer does not comply with a Compliance Notice or an Infringement Notice, the inspector may withdraw the notice and the FWO may commence civil legal proceedings for the underlying contraventions. The use of enforceable undertakings and the commencement of civil legal proceedings is reserved for serious non-compliance. These are examples of 'enforced compliance'.

A significant percentage of investigations are proactive. This is where the FWO has relied upon its intelligence holdings (comprised of anonymous reports, duty holder compliance history, media sources, referrals from other regulators) or data sources and initiated an investigation, inquiry or monitoring activity. In 2025–26, the significant percentage of proactive investigations reflected the FWO's adoption of strategic enforcement to maximise its impact on deterrence, sustainability and system-wide effect.

In meeting KPI 3.2, the percentage of investigations involving an enforcement tool demonstrates that the FWO's deployment of investigative and legal resources under the strategic enforcement model is efficient and effective. The proportion of investigations resulting in the use of an enforcement tool reflects the FWO's ability to identify and respond to non-compliance using proportionate regulatory interventions. These interventions promote specific deterrence by encouraging the duty holder subject to the investigation to rectify non-compliance and improve future compliance practices. They also support general deterrence by reinforcing that workplace laws will be enforced when non-compliance is detected.

When considered in conjunction with KPI 3.1, the results show that the FWO balances the use of enforcement tools, when appropriate, with the efficiency of delivering outcomes through dispute assistance processes.

KPI 4: The FWO will develop and publish its areas of priority

Source:

- 2025–26 FWO Corporate Plan.

	2024–25	2025–26		
Performance measure	**Result**	**Target**	**Result**	**Achieved**
The FWO will ensure that its priorities are published on the FWO's website	Published on 18 July 2024	Publication by 31 July 2025	Published on 25 July 2025	Yes

Measurement methodology

Method of Completion

The FWO will develop regulatory priorities to guide its approach and activity.

The development of priorities will be evidence based and the priorities will be published by 31 July during the reporting period.

The public notification of the FWO's priorities will be via the FWO's website (**fairwork.gov.au**).

Analysis and further information

The development and publishing of the FWO's regulatory priorities ensures that the community is informed about our areas of focus. There is discretion in how we allocate resources to undertake our proactive and responsive activities and the development of our priorities provides a framework through which we undertake this resource allocation and ensure we are exercising our statutory functions in the most effective and efficient ways. By focusing more on these priority areas, we aim to deliver lasting improvements across the sectors and to support ongoing compliance throughout the workplace community.

The FWO's regulatory priorities are informed by analysis of quantitative and qualitative data derived from:

- input and feedback from staff and external stakeholders
- analysis of activities in existing priorities, emerging issues, trends and regulatory risks across the labour market.

In 2025–26, we remained committed to the same priority areas as the previous year to effect long-term compliance changes. These are areas that are at significant risk or demonstrate a history of systemic non-compliance, where we seek sector-wide impacts through increased attention. They include an enduring commitment to prioritise education and assistance for small business employers and workers and vulnerable or at-risk workers. We continue to monitor our priority areas and review them regularly using a data informed approach, while staying responsive to emerging issues.

As reflected in our Statement of Intent of September 2025, there is a tripartite Advisory Group and reference groups that focus on our priority areas. These groups provide a consultative and collaborative mechanism to support the development and implementation of targeted strategies in our priority areas, including co-design work. We continue to work with these groups to refine the scope of activities in response to emerging issues and to consider our impact in each priority area.

The FWO's regulatory priorities for 2025–26 were published externally on 25 July 2025 on our website (**fairwork.gov.au/about-us/our-role-and-purpose/our-priorities**)

Section 3: Performance measures relating to our staff, their commitment to meeting our strategic objectives and how we support them in performing their role.

KPI 6.1: FWO employees are engaged, committed and prepared to achieve our objectives

Source:

- 2025–26 FWO Corporate Plan
- 2026 Australian Public Service Employee Census.

	2024–25	2025–26		
Performance measure	**Result**	**Target**	**Result**	**Achieved**
The levels of engagement, commitment and preparedness of FWO staff in comparison to the Australian Public Service (APS) average.	+3 percentage points	Equal to or greater than the 2025 APS average	+4 percentage points	Yes

Measurement methodology

Survey population

The FWO employee engagement index score in comparison to the APS average, will be derived from the APS Employee Census conducted within the reporting period.

The FWO uses quantitative data published by the Australian Public Service Commission (APSC) as part of the APS Employee Census results to compare the employee engagement index score for the FWO to the APS average.

Survey question

As part of the APS Employee Census, FWO staff are asked questions to measure their levels of engagement. The employee engagement index score is based on a model of:

- Say – the employee is a positive advocate of the organisation.
- Stay – the employee is committed to the organisation and wants to stay as an employee.
- Strive – the employee is willing to put in discretionary effort to excel in their job and help their organisation succeed.

As the APS Employee Census data is maintained externally to the FWO, it ensures anonymity and provides employees with assurance that they can provide true sentiment.

Questions may vary within the APS Employee Census from year to year.

Survey distribution

FWO staff are invited to participate via a direct personalised email containing an individual link to the APS Employee Census.

Survey frequency

The APS Employee Census is an annual survey of staff sentiment that is open to all staff working for the FWO.

The APSC use a Say, Stay, Strive model of employee engagement which is flexible and uses tailored questions for the APS context. Employee engagement index scores are provided at a range of levels, including the FWO and APS average.

Survey response rate and result

The employee engagement index score is calculated and distributed to the FWO by the APSC.

To calculate the index score, each respondent's (individual FWO staff member's) answers to the set of questions for the index are recorded to fall on a scale of between 0 to 100%. The recorded responses are then averaged across the index questions to provide an index score for that respondent. An index score is only assigned to a respondent where they have responded to all the set of questions comprising that index. The FWO's employee engagement index score is calculated by averaging the scores for all FWO staff.

Analysis and further information

KPI 6.1 measures employee engagement through an index of questions and provides comparison scores with the APS overall, similar size agencies, and other regulatory agencies. Employee engagement is an important indicator of organisational performance, reflecting employees' commitment to the agency, motivation to achieve the organisation's goals, and connection to the FWO's purpose. In 2025–26, the FWO achieved an employee engagement index score of 78%, 4 percentage points above the APS average, exceeding the target and improving on the previous year's result.

The result demonstrates that employee engagement remained strong during a period of organisational and operational change across the agency and the broader APS. During the reporting period, the FWO implemented actions from the 2025–26 Census Action Plan, including a focus on strengthening consultation and change management practices, supporting collaborative innovation and continuous improvement, and continuing to build leadership capability at all levels. Maintaining engagement above the APS average and improving on last year's scores suggests these actions have supported employees to feel connected to the agency's purpose, committed to its success, and motivated to contribute to achieving organisational objectives.

KPI 6.2: FWO employees feel supported by the FWO

Source:

- 2025–26 FWO Corporate Plan
- 2026 Australian Public Service Employee Census.

	2023–24	2024–25		
Performance measure	**Result**	**Target**	**Result**	**Achieved**
Evidence of wellbeing levels of FWO staff against the APS average.	+7 percentage points	Equal to or greater than the 2025 APS average	+8 percentage points	Yes

Measurement methodology

Survey population

The FWO wellbeing policies and support index score in comparison to the APS average, will be derived from the APS Employee Census conducted within the reporting period.

The APS Employee Census is administered to all staff working for the FWO on a date set by the APSC.

The FWO uses quantitative data published by the APSC as part of the APS Employee Census results to compare the wellbeing policies and support index score for the FWO to the APS average.

Survey question

The wellbeing policies and support index score is based on the collective results from the following questions:

- I am satisfied with the policies/practices in place to help me manage my health and wellbeing.
- My agency does a good job of communicating what it can offer me in terms of health and wellbeing.
- My agency does a good job of promoting health and wellbeing.
- I think my agency cares about my health and wellbeing.
- I believe my immediate supervisor cares about my health and wellbeing.

As the APS Employee Census data is maintained externally to the FWO, it ensures anonymity and provides employees with assurance that they can provide true sentiment.

Questions may vary within the APS Employee Census from year to year.

Survey distribution

FWO staff are invited to participate via a direct personalised email containing an individual link to the APS Employee Census.

Survey frequency

The APS Employee Census is an annual survey of staff sentiment that is open to all staff working for the FWO. Wellbeing policies and support index scores are provided to the FWO by the APSC on an annual basis. Wellbeing policies and support index scores are provided at a range of levels, including FWO and APS average.

Survey response rate and result

The wellbeing policies and support index score is calculated and distributed to the FWO by the APSC.

To calculate the index score, each respondent's (individual FWO staff member's) answers to the set of questions for the index are recorded to fall on a scale of between 0 to 100%. The recorded responses are then averaged across the index questions to provide an index score for that respondent. An index score is only assigned to a respondent where they have responded to all the set of questions comprising that index. The FWO's wellbeing policies and support index score is calculated by averaging the scores for all FWO staff.

Analysis and further information

KPI 6.2 measures employees' perceptions of the FWO's wellbeing policies, practices, and support arrangements through an index of questions and provides comparison scores with the APS overall. Employee wellbeing is an important indicator of organisational performance because employees who feel supported in managing their health and wellbeing are more likely to be engaged, productive, and able to deliver high-quality services. It also provides an indication of the agency's ability to create an environment where employees can perform at their best and supports the APS reform agenda of being a model employer.

In 2025–26, the FWO achieved a wellbeing policies and support index score of 79%, 8 percentage points above the APS average, exceeding the target and improving on the last year's result of 7 percentage points above the APS average.

The result demonstrates that employees continued to view the FWO's wellbeing policies and support arrangements positively. During the reporting period, the FWO maintained a focus on initiatives that support employee health and wellbeing, enable flexible ways of working, strengthen leadership capability, and support a positive workplace culture. Maintaining a wellbeing score above the APS average and improving on the previous year's result suggests employees continue to feel supported by both the agency and their managers and remain confident in the FWO's commitment to employee wellbeing.

Our strategic enforcement approach

To effectively achieve our statutory functions and vision of 'working for fairer workplaces', we apply a strategic enforcement model that is reflected in our Corporate Plan, Compliance and Enforcement Policy, Statement of Intent, and updated Service Charter.

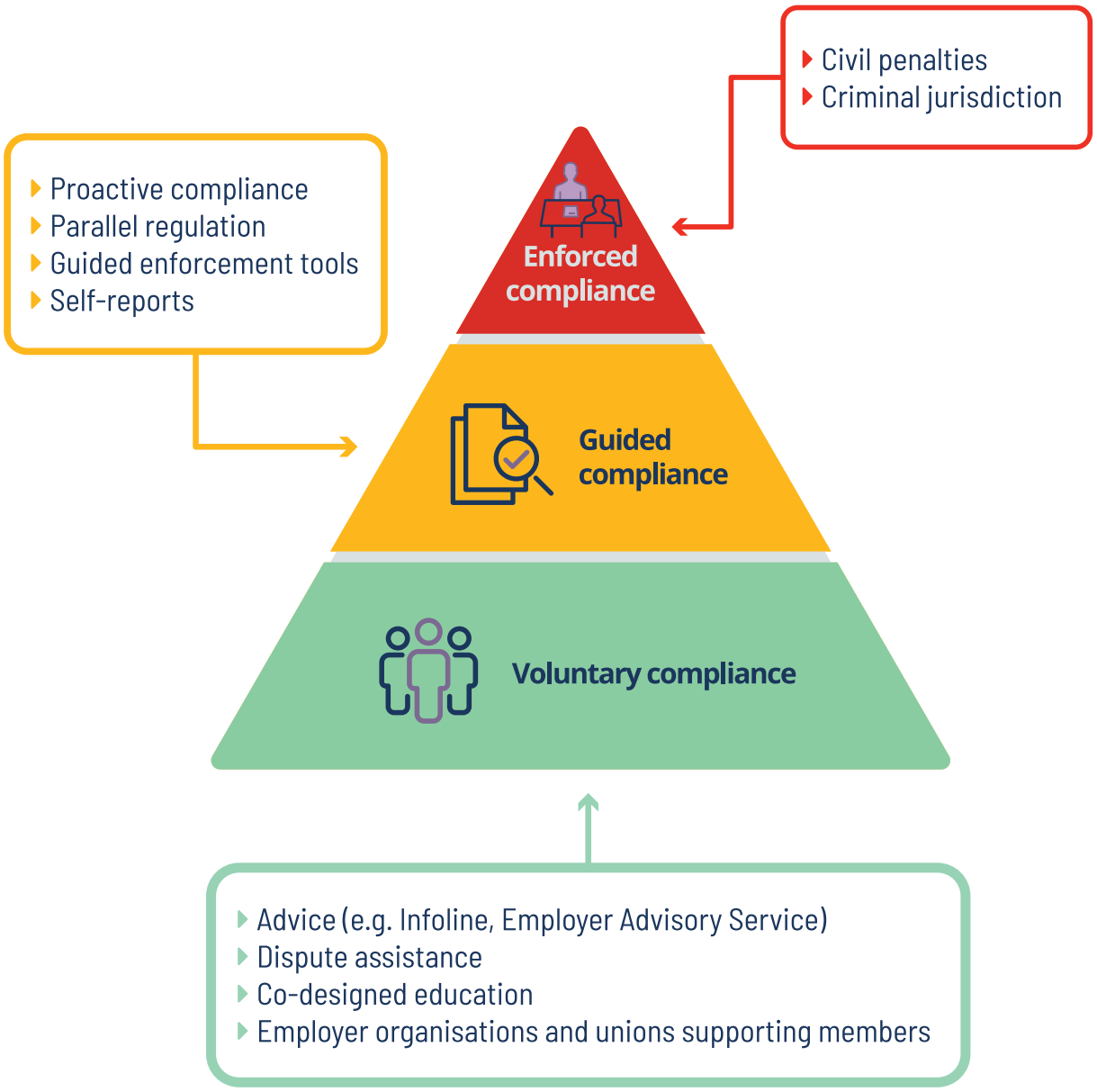
Our Service Charter was reviewed in 2025–26 to reflect the evolution of our operating model and ensure our service commitments remain clear, current and responsive to customer needs.

Our approach recognises that workplace non-compliance exists along a continuum, ranging from inadvertent or unintentional breaches through to deliberate, serious and systemic misconduct. We take a proportionate, impact-based approach and tailor our regulatory response according to the nature, seriousness and circumstances of the conduct. The model comprises 3 main responses to allegations, evidence and suspected instances of non-compliance.

- **Voluntary compliance** – We encourage voluntary compliance through advice, education and dispute assistance services. This supports workers and employers to understand their workplace rights and obligations, communicate effectively, and make informed choices to remediate inadvertent non-compliance.
- **Guided compliance** – Where appropriate, we may adopt a guided or cooperative compliance approach, requiring duty holders to take certain steps to rectify non-compliance.
- **Enforced compliance** – We reserve enforcement action for serious, deliberate and systemic contraventions. Where it is in the public interest, we may commence civil proceedings to seek financial penalties. We can also undertake criminal investigations into intentional underpayments that may constitute a criminal offence under subsection 327A of the Act and refer appropriate matters for criminal prosecution.

By targeting the root causes of non-compliance and focusing our efforts where they can have the greatest impact, our strategic enforcement model promotes long-term behavioural change, improves workplace compliance and helps address serious and systemic issues across sectors.

Figure 2: Our strategic enforcement regulatory model



Our priorities

Our priorities help guide how we allocate resources and respond to requests for assistance. They focus our engagement, intelligence, dispute assistance, proactive compliance and enforcement activities on areas where there is significant risk or demonstrated history of non-compliance.

In 2025–26, we prioritised:

- aged care services
- agriculture
- building and construction
- disability support services
- fast food, restaurants and cafés
- large corporates and universities.

We also maintained an enduring focus on education and assistance for small businesses, and vulnerable or at-risk workers.

Further information on our priority sectors and outcomes is provided on page 34.



Streamlining and simplifying regulatory processes

The shift in recent years to our strategic enforcement model has played a key role in our efforts to reform and refine our regulatory approach and contribute to boosting productivity across the Australian economy. We have achieved this by ensuring alignment with the principles of strategic enforcement – being prioritisation, deterrence and system-wide effect. We are also promoting voluntary compliance, finalising more disputes this year compared to the past 5, and ensuring our emphasis on quality advice and education means more and more Australians are able to self-serve with the help they need and learn about their rights and obligations – preventing potential non-compliance before it happens.

We are also committed to implementing innovations that contribute to a productivity-enabling regulatory environment. This includes:

- Automation and more efficient use of technology platforms to assist the FWO to work smarter and improve the way we deliver services. For example, leveraging the use of digital tools to detect and address non-compliant job advertisements on online platforms.
- Dependent on the availability of sufficient funding, development of a new pay rates calculation tool, including API capability, to replace the current pay calculator that operates on a legacy platform.
- Collaborating with other workplace relations institutions to streamline awards, coordinate regulation, address complexity, and promote cooperative workplace relationships.
- Supporting legislative change to permit the Australian Taxation Office (ATO) to share protected information with the FWO for the purposes of identifying and recovering unpaid superannuation and wages.

We strive to be a regulator that supports productivity, reduces complexity and makes compliance easier for businesses while protecting workers' wages and conditions. We will continue to seek additional opportunities to evolve, enhance, and refine our work.

Advisory and Reference Groups

We work collaboratively with stakeholders in the workplace community to implement legislative reforms and enhance tripartism that sits at the heart of the strategic enforcement approach. Engagement and collaboration are critical to effective regulation, building confidence in our role and supporting the delivery of our statutory mandate.

We advance tripartism through our Advisory Group and industry reference groups, bringing together employer organisations, unions and senior FWO representatives to share intelligence, discuss emerging issues and identify opportunities to improve workplace outcomes. This collaborative approach expands our reach, strengthens our understanding of workplace issues and supports more targeted regulatory, compliance and education activities.

These forums provide for open dialogue and intelligence sharing across priority industries and the broader workplace relations system. Insights from stakeholders help inform our strategic priorities, compliance responses and education initiatives, ensuring they remain relevant, targeted and responsive to emerging risks.

Advisory Group

The Advisory Group is made up of peak employer organisations and worker representatives who advocate for the broad interests of the workplace community.

Members of the Advisory Group include:

- Australian Chamber of Commerce and Industry
- Australian Council of Trade Unions

- Australian Industry Group
- Business Council of Australia
- Council of Small Business Organisations of Australia.

The Advisory Group has also established a Small Business Sub-Committee and Large Corporates Sub-Committee to engage members on the specific challenges and opportunities within these sectors.

Reference groups

Our priority sector reference groups enable meaningful engagement with key stakeholders on industry-specific issues.

Our priority sector reference groups include:

- Aged Care Services Reference Group
- Agriculture Reference Group
- Building & Construction Reference Group
- Disability Support Services Reference Group
- Fast Food, Restaurants & Cafés Reference Group
- Higher Education Reference Group.

Delivering outcomes

Tripartite engagement through the Advisory Group, sub-committees and reference groups contributed to a range of regulatory, education and communication outcomes during 2025–26. These engagements informed key resources and initiatives, including our Compliance and Enforcement Policy, Statement of Intent, guidance on representational rights and industry-specific education materials.

We also continued to build our tripartite capability and evidence base. In July 2025, members of our Reference Groups and sub-committees participated in a workshop with Professor Joel Cutcher-Gershenfeld on advancing tripartism and strengthening approaches to advice, assistance, education, communication, information sharing, and investigations.

In June 2026, Dr Stephen Clibborn and Dr Tess Hardy held a research session with members of our tripartite groups to explore the FWO's experiences with these groups and how collaboration has informed our education and compliance approach.

These forums also enable greater transparency about our regulatory focus, emerging intelligence and areas where additional support may be required. By increasing the transparency of our shared knowledge, the Advisory Group and reference groups help build a common understanding of workplace challenges and opportunities, enabling stakeholders to support compliance efforts across their sectors and networks.

Examples of outcomes:

- In December 2025, we added new guidance on representational rights and responsibilities in the workplace to our website. This was developed through a working group established to support co-design and stakeholder engagement and consisted of representatives from the Australian Council of Trade Unions, Australian Industry Group (Ai Group), the Fair Work Commission (FWC) and Brian Lacy AO. Participants contributed their expertise to ensure the information was practical, balanced, and accessible for workplace participants.
- In March 2026, the FWO, Fair Work Commission (FWC) and Department of Employment and Workplace Relations (DEWR) attended a session facilitated by Dr Rod Harrison, Principal Consultant at the National Construction Industry Forum (NCIF), on early foundational work for the Joint Construction Industry Charter. Development of the charter is a recommendation of the NCIF's Blueprint for the Future. It is intended to set shared goals and expectations for a safe, sustainable, and productive building and construction industry, including behavioural expectations, rules of engagement and dispute resolution processes for industry participants.
- In April 2026, updated maritime sector guidance was published to our website following consultation with industry and government stakeholders. This included webpages on the Seagoing Award, workplace laws and the maritime industry, and other support available to the maritime industry. The guidance was developed in consultation with DEWR, the Department of Infrastructure, Transport, Regional Development, Communications and the Arts, Stolt, the International Transport Workers' Federation (ITF) and the Maritime Union of Australia.
- In June 2026, new and enhanced content on workplace sexual harassment was published to our website. This includes a standalone workplace sexual harassment section and information on positive duty obligations, sexual harassment as a psychosocial hazard, vicarious liability, and practical steps employers can take to prevent, manage and respond to workplace sexual harassment. The content was informed by extensive consultation with the FWO's Advisory Group, the FWC, the Australian Human Rights Commission and Safe Work Australia.

Through ongoing collaboration, we continue to strengthen partnerships across the workplace relations system, supporting harmonious, cooperative and compliant workplaces.

Disability Support Services Reference Group:

Ahead of open forums and interviews commencing as part of our Disability Inquiry, the Disability Support Services Reference Group was consulted on the questions being proposed and format of the forums. As a result, the questions and forums were refined to ensure they met the needs of those within the sector. Additionally, Reference Group members were asked to promote the open forums through their own channels. In surveying attendees at some forums, it was noted that most attendees were there as a result of the promotion and collaboration with Reference Group members. For more information see Disability Inquiry on page 38.

Aged Care Services Reference Group

Following consistent feedback from the Aged Care Services Reference Group members regarding concerns about compliance levels within ancillary services in the sector, the FWO has now undertaken the development of the Ancillary Services (Cleaning and Catering) Proactive Investigation Plan with input from Reference Group members.

Co-designing resources for apprentices and trainees

Based on the Building and Construction Enforcement Strategy's focus on apprentices and trainees, it was identified that a tailored letter outlining workplace entitlements would be an important resource for this audience. Through extensive consultation with the Building & Construction Reference Group, a letter was developed using plain language, three-step guides, icons, and call-out boxes to ensure it was accessible and relevant to apprentices and trainees. Reference Group members committed to sharing the letter across their own networks and cohorts. In addition to this resource, feedback from Reference Group members has informed consideration of alternative communication methods and materials.

Strategic compliance and enforcement

Non-compliance is deterred through strategic compliance and enforcement activities

Our strategic compliance and enforcement approach is tailored to the circumstances and context of each matter. We use our discretion to work with employers and workers to promote workplace compliance and assist parties to understand and exercise their workplace rights and obligations.

Our dispute assistance services support early resolution where possible, but do not limit our ability to take regulatory action, including an investigation, where intelligence, strategic priorities, or evidence of systemic and/or serious non-compliance indicate a broader compliance response is required.

For more information about our dispute assistance services see page 56, Resolving workplace disputes.

If a breach is identified, we determine an appropriate response and act proportionately to the significance of the breach and its actual or potential impact on workers and the regulated community. This may include issuing an infringement notice (IN) or compliance notice (CN), entering into an enforceable undertaking (EU), or commencing litigation.

For more information about our approach, see page 24, Our strategic enforcement approach.

In 2025–26, we recovered more than $453 million in unpaid wages for more than 181,000 workers. These recoveries were achieved through our dispute assistance services, proactive and targeted investigations, self-reported underpayments, and strategic compliance interventions.

Over the period, we:

- issued 791 infringement notices with $831,891 in penalties paid
- issued 1,392 compliance notices recovering over $33.1 million for 17,193 workers
- entered into 15 enforceable undertakings recovering more than $106.6 million for underpaid workers
- issued 5 FWO notices
- filed 60 litigations.

In addition to these civil compliance and enforcement activities, we continue to build and apply our criminal investigation function to address the most serious forms of intentional underpayment. Further information about our criminal investigation function is provided on page 33.

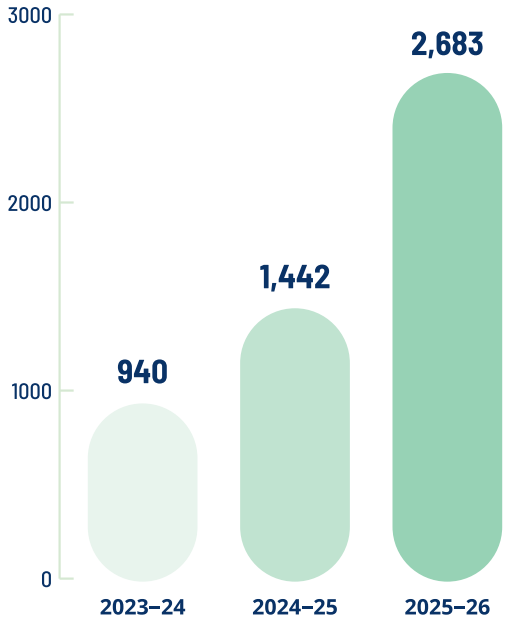
Proactive civil investigations

In 2025–26, we completed 2,683 proactive civil investigations, an 86% increase from 2024–25, recovering $45.4 million in unpaid wages for 13,803 workers. The most common contraventions identified through these investigations were:

- underpayment of hourly rate (13%)
- employment advertisements that contravene workplace laws (9%)
- failure to correctly pay weekend penalty rates (8%).

This outcome reflects our increasing use of intelligence-led, risk-based, and proactive regulatory investigations under our strategic enforcement approach. Guided by data and focused on achieving the greatest impact for workers, we targeted priority sectors, employers, and issues to deter non-compliance and promote lasting compliance.

Figure 3: Proactive civil investigations completed – 3-year comparison chart



Enforcement outcomes

Infringement notices (INs)

An IN is a fine that can be issued to an employer who has breached the *Fair Work Act 2009* (FW Act) relating to record-keeping, pay slips and unlawful job advertisements. An IN can be issued for one or more breaches.

When deciding whether to issue an IN, a Fair Work Inspector may consider:

- the seriousness and history of the contravention
- the nature of the employer's conduct
- whether an IN is the most appropriate compliance response
- if the contravention occurred within the allowable timeframe.

In 2025–26 we issued 791 INs, with penalties paid totalling $831,891.

Compliance notices (CNs)

A CN is a notice issued by a Fair Work Inspector as a non-punitive mechanism to address alleged contraventions, allowing an employer to fix a breach of the FW Act.

A CN requires that the duty holder take specified action to remedy the identified contravention, including:

- calculating or repaying any underpayments and/or
- producing reasonable evidence of compliance.

If a person or business fails to comply with the CN directions and has not applied to the court to have the CN reviewed, or does not have a reasonable excuse, they are in breach of the FW Act, and we may commence litigation for non-compliance with the CN.

In 2025–26 we issued 1,392 CNs and recovered more than $33.1 million in unpaid wages for over 17,000 underpaid workers.

Enforceable undertakings

An EU is a court-enforceable, legally binding written agreement between the FWO and someone who we reasonably believe to have contravened the FW Act. In 2025–26 we executed 15 EUs and recovered over $106.6 million in unpaid wages and entitlements, including superannuation and interest.

The terms of an EU depend on the circumstances and are informed by our C&E Policy available on our website (**fairwork.gov.au**).

EUs are a mechanism we use to effectively deal with contraventions of the FW Act without requiring the considerable cost involved in court proceedings. EUs have both a retrospective and prospective lens and are an effective tool we use to change behaviours and ensure sustainable compliance.

Case study:

In 2025–26 we entered into 6 EUs with Australian universities, which when fully remediated, will recover more than $86.6 million in underpaid wages and entitlements (including interest and superannuation) for 60,450 workers, with an additional $1.1 million made in contrition payments.

The EUs also require the universities to implement stronger, long-term compliance measures, including payroll system reviews, regular independent audits and enhance reporting and governance oversight, including ongoing compliance checks and regular worker forums to identify and address issues early and ensure sustained compliance with workplace laws. For more outcomes in this sector see Universities on page 41.

Contrition payments

As a condition of an EU, some parties may agree to make a contrition payment in recognition of workplace law breaches. These payments can be made to the Consolidated Revenue Fund (CRF) and/or to another eligible recipient organisation whose objectives are strategically aligned with our statutory purpose and that is approved by the FWO[1]. Contrition payments are included as undertakings not in the punitive or retributive sense as a 'fine' or 'penalty', but more constructively, and prospectively as an element of restorative justice. That is, a commitment by the duty holder to cause no further harm, work with those involved and set relations right.

From March 2026, consistent with our commitment to tripartism and promoting industry-led self-regulation, we introduced an expression of interest process allowing eligible organisations to seek to become approved recipients. Approval does not guarantee receipt of contrition payments, and recipient organisations can't receive more than $500,000 in contrition payments in any single financial year.

Approved recipient organisations currently include the Cleaning Accountability Framework and Ethical Clothing Australia (approved in June 2026).

Contrition payments recognise the broader workplace relations ecosystem and the role that organisations can play in supporting workplace compliance and protecting vulnerable workers. Where contrition payments are directed to eligible recipient organisations, the payment supports the work of tripartite organisations that help promote workplace compliance and protect vulnerable workers.

During the reporting period, contrition payments totalled $2.365 million to the CRF and $450,000 to the Cleaning Accountability Framework.

Litigations

Litigation is an important enforcement tool that holds duty holders accountable for breaches of workplace laws, deters non-compliance, and provides clarity about workplace rights and obligations. We reserve litigation for contraventions that are serious, significant, and/or systemic in nature, where court action is necessary to uphold the integrity of our enforcement framework or is otherwise in the public interest.

In 2025–26, we commenced 60 litigations and secured more than $2.3 million in penalties.

We used litigation to address deliberate non-compliance, serious underpayments, failures to comply with CNs, unlawful cashback schemes, and record-keeping breaches. Reflecting our continued focus on addressing serious, deliberate, significant and systemic workplace law breaches, in 2025–26, key litigation outcomes included:

- **Phillip Island Souvenirs Pty Ltd**: Penalties totalling $450,000 against the company and its director for extensive workplace law breaches, including underpayments and pay slip failures.
- **University of New South Wales**: A $213,120 penalty for systemic record-keeping and pay slip contraventions that hindered our investigation into university underpayments.
- **Construction, Forestry and Maritime Employees Union (CFMEU) Ironside matter:** Penalties totalling $171,500, reinforcing the importance of compliance with workplace laws across all participants in the building and construction industry.
- **Shinya Ramen**: Penalties totalling $33,804 after 2 businesses failed to comply with CNs.
- **D365.Group Pty Ltd** (in liquidation): A director was penalised $35,308 and ordered to pay almost $150,000 in compensation to 16 employees.
- **Companies associated with Graeme John Grainger**: Penalties totalling $112,985 after 3 companies (SNNB Enterprises Pty Ltd, Taylors Business Pty Ltd and Yarraville Business Pty Ltd) failed to comply with 4 CNs issued to recover unpaid workplace entitlements for workers.
- **Canberra Electrical Solutions Pty Ltd**: Penalties totalling $73,242 against the company and its director for failing to comply with CNs. The company was also ordered to back-pay affected workers, including an apprentice, plus interest and superannuation.
- **AAA Aussie Emergency Glass Pty Ltd**: Penalties totalling $116,550 against the company and its director for failing to comply with CNs and a Notice to Produce, following earlier enforcement action against the company.

1 See p.14 of the FWO's C&E Policy (**fairwork.gov.au/about-us/compliance-and-enforcement/litigation/2025-2026-litigation-outcomes**).

Our litigation outcomes complemented broader compliance and enforcement activities, including action to recover unpaid wages in large-scale underpayment matters and ensure workers received outstanding entitlements. Through strategic litigation, we continue to deter non-compliance, uphold the integrity of Australia's workplace relations system and secure meaningful outcomes for workers.

Importantly, our efforts do not end when a judgment is delivered. We continue to monitor compliance with court orders and undertake follow-up activities if required to support the recovery of outstanding amounts. This post-judgment work is an important part of our strategic enforcement approach, helping to ensure that penalties, compensation orders and other court outcomes translate into meaningful outcomes for affected workers while reinforcing the deterrent effect of court action.

Further information on litigation outcomes is available on the FWO litigation outcomes webpage (**fairwork.gov.au/about-us/compliance-and-enforcement/litigation/2025-2026-litigation-outcomes**).

Achieving greater clarity for the higher education sector

Following a Federal Court decision concerning the interpretation of the Higher Education Industry – Academic Staff – Award 2020, which was unfavourable to FWO's position, parties of the Higher Education Reference Group met with FWO and agreed that an appeal of the judge's decision should be pursued. Once the appeal was finalised, Reference Group members expressed their satisfaction at achieving greater clarity for the industry on the issue and outlined the benefits of the Reference Group in helping members develop a shared understanding and reach a consensus on key positions.

Gender equity briefings

We are committed to the Law Council of Australia's Equitable Briefing Policy, which aims to drive cultural change and improve gender equality in the number of briefs issued to barristers across the country. In 2025–26 we briefed female counsel 26 times and male counsel 29 times.

When briefing barristers, a range of factors are considered during the selection process, including the nature of the matters, availability of counsel and the urgency of proceedings.

Criminal investigations

With the introduction of subsection 327A(1) of the *Fair Work Act 2009* (FW Act) on 1 January 2025, we have transitioned from a solely civil regulator to a dual-track enforcement agency. This has been a significant shift for our agency, and a dedicated criminal investigation branch has been established to lead this work.

In 2025–26, we continued to investigate matters involving alleged intentional underpayments of wages and entitlements. Since commencement of the criminal underpayment offence, we have assessed 50 matters. As at 30 June 2026, 6 matters were under investigation.

These investigations are conducted in accordance with stringent criminal procedure and evidentiary requirements. Ensuring a successful prosecution pathway requires careful evidence handling, safeguarding procedural fairness, and supporting affected workers, particularly those from vulnerable cohorts, through the investigative process.

We will refer matters to the Commonwealth Director of Public Prosecutions (CDPP) to consider commencing a prosecution where we are satisfied that this is appropriate in accordance with our C&E Policy. Matters can also be referred to the Australian Federal Police (AFP).

Our C&E Policy guides the identification and escalation of matters involving suspected criminal conduct. In deciding whether to commence a criminal investigation or refer a brief of evidence to the CDPP, we will consider a wide range of relevant factors including the availability and sufficiency of evidence to prove the offence to the criminal standard, and public interest factors, such as the nature, seriousness and circumstances of the alleged conduct.

Our criminal investigation function complements our existing civil enforcement powers and is part of our overall approach to strategic enforcement. The criminal offence provides an additional enforced compliance mechanism within the FW Act's compliance framework to address and deter the most egregious and serious forms of conduct that result in an intentional underpayment of a worker's wages or entitlements.

During 2025–26, we continued to make significant investments to operationalise this new criminal jurisdiction. This has involved ensuring we have the in-house expertise, resources and infrastructure to support criminal-standard investigations, including evidence collection, chain of custody and disclosure obligations. We have also established arrangements with Services Australia, the AFP and the CDPP to support our work in the criminal jurisdiction.

We have undertaken extensive education and engagement activities to raise awareness of the criminal offence, including national communications campaigns, the production of tailored guidance materials and stakeholder consultations. We continue to raise awareness and understanding through presentations to industry associations, businesses, law firms and community legal centres, as well as in a range of other forums including community engagement and dedicated webinars. Our comprehensive educational materials are available at the FWO's website (**fairwork.gov.au**) to assist the workplace community to understand its approach to the new criminal jurisdiction.

Figure 4: Criminal underpayments handout



Priority sector outcomes

In 2025–26, we remained committed to the same priority areas to effect long-term compliance changes. These are areas that are at significant risk or demonstrate a history of systemic non-compliance, where we seek sector-wide impacts through increased attention.

The following sections outline how our strategic enforcement approach was applied across each priority sector in 2025–26, including through stakeholder engagement, education and assistance, proactive investigations, dispute assistance and enforcement activities. Our priorities are published on our website (**fairwork.gov.au**).



Aged care services

The aged care services sector employs a high proportion of vulnerable workers, including young, casual and migrant workers. Combined with challenges related to award interpretation, payroll systems and workforce management practices, these factors increase the risk of workplace non-compliance.

During the reporting period, we completed 141 disputes and recovered $157,721 for 24 workers. Through investigations we issued:

- 15 CNs
- 1 IN.

Our 2025–26 activities formed part of broader program of compliance work across the aged care services sector. Between February 2025 and May 2026, we proactively investigated 22 businesses operating across Victoria, New South Wales, South Australia, Queensland, and Western Australia. The program included residential aged care providers, home care providers and digital platforms supplying home care workers, with a focus on pay and entitlements for direct care employees, including personal care workers, nurses, and nursing assistants. These activities included announced and unannounced visits, interviews with workplace participants, and the use of statutory information-gathering powers. As a result, 13 businesses were found to be non-compliant and $5,307,332 was recovered for 3,591 employees.

We also secured significant compliance outcomes through EUs with 2 major aged care providers, involving remediation commitments, including interest and superannuation, of more than $16 million in underpayments identified across the life of the matters:

- Southern Cross Care (NSW & ACT), who self-identified underpayments exceeding $11 million
- Southern Cross Care (WA), who self-identified underpayments of about $5.4 million.

As at 30 June 2026, remediation activities associated with these EUs were ongoing. The EUs also require the employers to strengthen workplace compliance practices, including governance, payroll, and auditing controls.

Our work was informed by intelligence gathered through proactive investigations and engagement with the Aged Care Services Reference Group, helping us identify emerging workplace compliance risks and target our response.

We continue to support improved workplace compliance outcomes across the aged care sector through proactive investigations, partnerships with government agencies and sector stakeholders, and the strategic use of compliance and enforcement tools.

Agriculture

Agriculture is an important sector of the Australian economy and relies heavily on vulnerable workers, including migrant, seasonal and young workers. The sector employed an estimated 245,880 workers during the reporting year and continues to present elevated workplace compliance risk due to the significant amount of labour hire arrangements, supply chains, and seasonal workforces.

During 2025–26, we completed 381 agriculture-related matters and recovered more than $803,000 for 145 workers. Through this work, we:

- issued 22 CNs, recovering more than $89,000 in unpaid entitlements
- issued 13 INs, resulting in $26,400 in penalties paid
- commenced 4 litigations
- assisted workers through 6 small claims matters.

Among disputes completed, the most common issues raised by workers were:

- final pay (34%)
- underpayment of hourly rates (25%)
- pay slip and record-keeping obligations (13%).

Our 2025–26 activities were built on ongoing efforts to improve compliance in agricultural regions identified through previous inspections, intelligence, and enforcement activities. During the year, we completed 72 proactive compliance investigations, recovering more than $666,000 for workers.

As part of this work, we targeted the Coffs Harbour region. We visited 28 Coffs Harbour sites, focusing on employers identified through previous breaches and intelligence received from the Australian Border Force (ABF). Inspections examined compliance with:

- hourly and piece rates
- record-keeping obligations
- labour hire supply chain arrangements.

These investigations also gathered intelligence on labour hire practices and identified systemic risks impacting vulnerable workers. Consistent with findings from the FWO's broader horticulture compliance work, labour hire providers remained disproportionately represented among non-compliant businesses, reinforcing the need for continued regulatory focus on labour hire and supply chain arrangements. For more information, see Supply chains and Labour Hire on page 61.

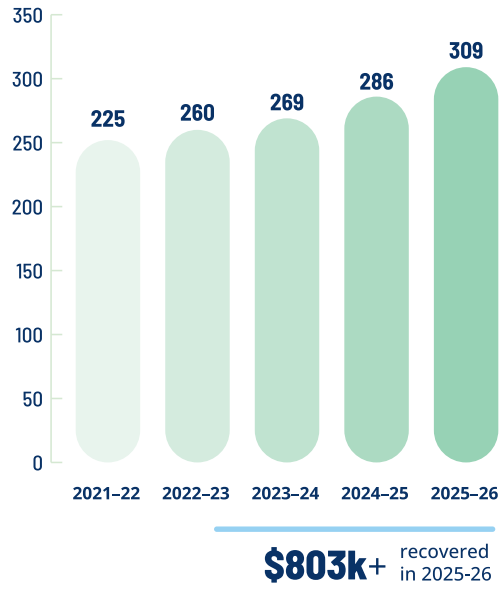
We also collaborated with other regulators through Operation Zephyr, a joint initiative with the ATO and ABF under the Shadow Economy Taskforce. The operation involved coordinated unannounced inspections of 18 vineyards across the Barossa Valley, Adelaide Hills, and McLaren Vale regions, targeting vineyard owners and labour hire providers employing seasonal workers. Operation Zephyr focused on identifying underpayments, failures to provide employee entitlements and pay slips, tax and superannuation non-compliance, and potential migrant worker exploitation. The operation strengthened intelligence sharing between regulators and supported efforts to detect, disrupt, and deter unlawful labour hire practices and other forms of workplace non-compliance in the viticulture industry.

We continued to take strategic enforcement action where significant non-compliance was identified. We commenced litigation against Bulmer Farms Pty Ltd, alleging underpayments exceeding $645,000 affecting migrant workers, and secured penalties against McCrystal Agricultural Services Pty Ltd in relation to unlawful deductions from visa workers' wages, including Pacific Australia Labour Mobility (PALM) scheme workers.

Our activities support improved workplace compliance outcomes across the agriculture industry and help secure unpaid entitlements for vulnerable workers.

Further information on these activities is available through media releases on our website (**fairwork.gov.au**).

Figure 5: Agriculture disputes completed over the last 5 years



Building and construction

We continue to focus on improving compliance in the building and construction sector. The sector employed an estimated 1.38 million workers during the year, including a significant number of apprentices and trainees who may be vulnerable to workplace non-compliance due to their relative inexperience.

During 2025–26, we completed 2,902 building and construction matters and recovered more than $6.8 million for 932 workers. This included 2,617 disputes, 284 proactive matters and one self-report. Through this work, we:

- issued 141 CNs, recovering more than $1.2 million in unpaid entitlements
- issued 38 INs, resulting in $29,420 penalties paid
- commenced 14 litigations
- assisted workers through 12 small claims matters.

Among disputes completed, the most common issues raised by workers were:

- final pay (25%)
- underpayment of hourly rates (13%)
- termination payments in lieu of notice (8%).

Our activities formed part of our Building and Construction Enforcement Strategy 2025–2028, which combines intelligence-led regulation, stakeholder engagement, and targeted enforcement to address emerging risks and improve compliance outcomes across the industry. The strategy focuses on the following areas where intelligence indicates heightened compliance risks and where intervention is likely to have the greatest impact:

- general protections, right of entry, and industrial action
- conditions and entitlements of apprentices and trainees
- conditions and entitlements of visa holders and migrant workers
- workplace sexual harassment and sex-based discrimination.

During the year, we also continued implementing initiatives under our Sexual Harassment Strategy 2025, including proactive investigations into workplace sexual harassment and sex-based discrimination in the building and construction industry.

Collaboration is a key element of the strategy. During 2025–26, we engaged with stakeholders through the Building & Construction Reference Group and worked closely with government agencies, regulators, law enforcement bodies, employer organisations and unions to identify emerging risks, share intelligence, and improve compliance outcomes across the industry. This included collaborating with the Phoenix Taskforce to identify and respond to risks associated with illegal phoenix activity, supporting coordinated regulatory responses to workplace non-compliance and helping to protect the integrity of the building and construction sector.

A key focus during the year was improving compliance for apprentices and trainees. Between January 2025 and March 2026, more than $750,000 in backpayments was recovered for apprentices and trainees, including $415,943 through investigations and $342,119 through dispute assistance. During the same period, we completed 76 investigations involving employers of apprentices and trainees. Where a determination could be made, 68% were found to be non-compliant with workplace laws. In response we issued 38 CNs, recovering $336,951 in unpaid entitlements.

During the year, we took strategic enforcement action where significant workplace relations issues were identified. This included commencing litigations involving alleged unlawful conduct by the CFMEU on construction sites:

- at the Cross River Rail project in Brisbane
- in relation to alleged unlawful conduct involving Marda Dandhi Downunder Pty Ltd.

During the year, we secured $171,500 in penalties against the CFMEU and 4 officials for unlawful conduct at construction sites in Melbourne, reinforcing the importance of compliance with workplace laws across all participants in the building and construction industry.

We also secured more than $40,000 in penalties and backpayment orders against the operators of a residential construction business for failing to comply with a CN and failing to issue payslips to workers. Through proactive compliance activities, stakeholder engagement, and the strategic use of enforcement tools, we continue to address workplace law risks and support improved compliance outcomes across the building and construction sector.

Sexual Harassment Strategy

In May 2025, we implemented our Sexual Harassment Strategy, which sets out our approach to addressing workplace sexual harassment through advice and education, compliance and enforcement, trauma-informed practice, and stakeholder engagement. The strategy reflects the significant overlap between industries with high rates of workplace sexual harassment and our priority sectors, including building and construction, hospitality, agriculture, higher education, and social and community services.

A key focus during the year was strengthening our capability to respond to workplace sexual harassment matters and increasing our visibility as both a regulator and educator. We have a dedicated team to implement the strategy and investigate allegations of workplace sexual harassment. The team applies a trauma-informed, witness-centric approach and conducts investigations arising from requests for assistance, anonymous reports, stakeholder intelligence, and media reporting.

We continued to strengthen our compliance and enforcement activities during the year. We commenced a civil proceeding in relation to workplace sexual harassment, had 47 active investigations on hand at 30 June 2026, and commenced proactive investigations into sexual harassment and sex discrimination in the building and construction industry. These proactive investigations align with our broader Building and Construction Enforcement Strategy and respond to recommendations arising from work undertaken across the sector.

We also enhanced our education and engagement activities. In June 2026, we published new and expanded website content on workplace sexual harassment, including updated guidance for employers and workers, information on positive duty obligations, and practical resources to assist workplace participants prevent, manage, and respond to workplace sexual harassment.

- The sexual harassment in the workplace webpage was viewed over 48,000 times.
- Making a complaint about workplace sexual harassment webpage was viewed almost 9,000 times.

This work was informed through consultation with stakeholders including our Advisory Group, the Respect@Work Council, FWC, Australian Human Rights Commission and Safe Work Australia.

Collaboration remains a key element of the strategy. During the year, we engaged with our tripartite Advisory Group, our priority sector Industry Reference Groups, community organisations and other government agencies to identify emerging risks, increase awareness of our role and strengthen information-sharing arrangements. These partnerships support a coordinated approach to preventing and addressing workplace sexual harassment.

Disability support services

The disability support services sector plays a vital role in supporting some of the most vulnerable members of our community, and in 2025–26 employed around 540,000 workers. Intelligence gathered through our regulatory activities, enforcement work and stakeholder engagement raises concerns about workplace compliance within the sector.

In July 2025, we launched an Inquiry into compliance with workplace laws in the disability support services sector.

During 2025–26, we completed 1,019 disputes involving disability support services employers and workers. Across our dispute assistance, proactive compliance and enforcement activities, we recovered more than $23.9 million for 10,546 disability support services (including other social assistance services) workers, with the majority of these recoveries arising through proactive compliance activities. Through investigations, we:

- issued 53 CNs, recovering more than $8.1 million in unpaid entitlements
- issued 11 INs
- entered into 3 EUs
- commenced 2 litigations.

More than $2.6 million in underpayments, including interest and superannuation, was returned to some 1,410 current and former employees of South Australian community services provider, Uniting Communities Incorporated. This followed the identification of payroll and enterprise agreement compliance issues.

We continued to engage with employers, workers, unions, industry bodies and government agencies through the Inquiry and the Disability Support Services Reference Group to improve understanding of workplace obligations and identify opportunities to strengthen compliance across the sector.

Disability Inquiry

In July 2025, we launched an Inquiry into workplace relations compliance within the disability support services sector.

Through observing and listening to sector participants, the Inquiry is an opportunity to assess how we can boost compliance with workplace laws and ultimately drive systemic change.

We engaged with unions, businesses and business organisations in designing the terms of this Inquiry.

The Inquiry will be carried out in 5 phases, culminating with a final report and recommendations in 2029. We are nearing completion of Phase 1, with Phase 2 scheduled to commence in 2027 as planned.

Through Phase 1, we have undertaken extensive engagement and evidence-gathering, speaking directly with workers, managers, directors, and clients who access disability support services, about their workplace relations experiences within the sector. We have identified concerns, barriers to compliance and opportunities to improve compliance, as well as assessing whether correct minimum pay and entitlements are being met.

We have received 118 written submissions and conducted 132 interviews with workers, managers and business owners. We have also held 21 open 'in-person' forum sessions across Brisbane, Toowoomba, Bunbury, Perth, Melbourne, Bendigo, and Newcastle to hear directly from sector participants about their experiences and challenges.

The Inquiry has strengthened collaboration across government and the sector. We finalised a memorandum of understanding with the NDIS Quality and Safeguards Commission and have enhanced relationships with regulators, government agencies and other key stakeholders to support information sharing and coordinated approaches to compliance.

Key themes emerging from stakeholder engagement include:

- workplace compliance challenges, including instances of non-compliance with workplace laws, particularly among smaller and unregistered providers
- complexity of the Social and Community Services Award, with stakeholders citing difficulties interpreting award provisions, determining classification levels, and applying requirements relating to overtime, sleepovers and broken shifts
- financial and operational pressures, including rising labour costs, funding constraints, administrative obligations and the challenge of balancing workplace compliance with quality-of-care expectations
- the evolving workforce landscape, including the impact of digital platform-based service delivery models on employment arrangements and compliance
- access to workplace relations advice, with stakeholders reporting that guidance can be inconsistent, difficult to access or costly, creating additional barriers to compliance.

Phase 2 will focus on coordinated investigations informed by the trends, risks and intelligence identified during Phase 1, targeting those duty holders which the FWO has reason to believe are engaged in serious non-compliance, to drive long-term improvements in workplace compliance across the disability support services sector.

Figure 6: Disability Inquiry journey



Fast food, restaurants and cafés

In 2025–26 the fast food, restaurants and cafés sector employed approximately 683,000 workers, including a significant number of young workers, casual employees and visa holders.

In 2025–26, we recovered more than $5.6 million for 3,538 workers in the sector. Our work in the sector resulted in:

- 599 CNs issued, recovering more than $2.7 million in unpaid entitlements
- 355 INs issued, resulting in $426,992 in penalties paid
- 27 assisted small claims
- 16 litigations commenced
- 2 EUs

The sector continued to generate a significant proportion of our compliance work. We completed 2,533 disputes, representing 13% of all disputes completed, and received 5,411 anonymous reports, representing 17% of all anonymous reports received.

Our activities formed part of an ongoing effort to address non-compliance in hospitality hotspots and locations employing large numbers of young workers and visa holders. During the year, we undertook targeted compliance activities across food precincts and hospitality hotspots. This included surprise inspections of food outlets in Sydney, Brisbane, Canberra and Cairns focused on record-keeping and pay slip obligations, as well as inspections of Adelaide eateries to identify underpayments and improve awareness of workplace rights and obligations. These activities formed part of our ongoing efforts to address non-compliance and support vulnerable workers in the sector. We also piloted proactive visits focused on education, drawing on ATO benchmarks to inform the approach.

We continued to work closely with members of our Fast Food, Restaurants & Cafés Reference Group and collaborated with other government agencies, including the ATO and ABF, to share intelligence, identify emerging risks and improve compliance outcomes across the industry.

We also secured significant compliance outcomes through EUs. During the year, we entered into an EU with the trustees of Villa Romana in Cairns after nearly $87,000 was back-paid to 76 employees. The undertaking included commitments to improve workplace compliance and systems. In April 2026, we also entered into an enforceable undertaking with the operators of Melbourne restaurant The Luck Bird Pty Ltd (Carlucci's Restaurant) after more than $194,000 was back-paid to 38 workers.

Through stakeholder engagement and our strategic enforcement approach, we continue to address and support improved compliance outcomes across the fast food, restaurants and cafés sector.

Further information on targeted activities and enforceable undertakings is available through media releases on our website (**fairwork.gov.au**).

Large corporates

We continue to see significant levels of workplace law non-compliance within large corporations. While workplace laws apply to all employers, we expect large corporates to maintain governance, payroll systems and processes, and compliance arrangements that are proportionate to the scale and complexity of their operations, and support proactive and sustainable compliance with workplace obligations.

During 2025–26, we completed 1,161 matters involving large corporates, including 1,051 disputes, 73 proactive matters and 37 self-reports, resulting in recoveries of more than $217.3 million for over 110,000 workers. Through this work, we:

- entered into one EU
- issued 23 CNs
- issued 13 INs.

Our activities formed part of our ongoing strategic approach focused on identifying, addressing and preventing systemic underpayments. A key feature of this work is supporting employers to identify, assess and remediate workplace law non-compliance while holding organisations accountable where appropriate. To assist employers, we continued to promote the Payroll Remediation Program Guide, developed in consultation with the Large Corporates Sub-Committee of the FWO's Advisory Group. The guide provides practical assistance for employers who become aware of actual or suspected workplace law non-compliance and supports prompt and effective remediation. Further information about the Payroll Remediation Program Guide is available on page 60.

Non-compliance issues regularly self-reported by large corporates include underpayments arising from incorrect classification and classification progression, leave deductions on public holidays, incorrect overtime, errors in leave entitlements for shift workers and incorrect calculation of

superannuation. These matters can indicate broader deficiencies in governance, payroll systems and compliance oversight, highlighting the importance of effective monitoring, assurance and risk identification processes.

In November 2025, we secured a significant outcome with Westpac Banking Corporation, entering an EU following self-reported underpayments arising from payroll and rostering issues. Under the arrangement, Westpac committed to rectification measures, having back-paid nearly 47,000 current and former employees more than $50 million. This represents one of the largest remediation programs we have overseen. The EU requires Westpac to implement extensive compliance measures, including independent auditing, governance improvements and ongoing reporting to help ensure sustained compliance with workplace laws.

Further information about the Westpac EU is available in the Westpac enforceable undertaking media release (**fairwork.gov.au/newsroom/media-releases/2025-media-releases/november-2025/20251114-westpac-eu-media-release**).

In September 2025, the Federal Court made significant findings in relation to liability in our legal proceedings against supermarket operators Coles and Woolworths. The matters, commenced separately in 2021, and heard together by the Court, concern alleged significant underpayments of salaried employees under the General Retail Industry Award 2020 (Retail Award). The court determined several key issues in our favour, including findings relating to set off arrangements, record keeping obligations, and reverse onus provision under the FW Act. The judgment provided important guidance for employers using annualised salary arrangements and reinforces the importance of maintaining accurate records to demonstrate compliance with workplace laws. We are continuing to seek orders requiring outstanding underpayments, including interest and superannuation, to be rectified, as well as penalties applied.

On 29 June 2026, we commenced proceedings in the Federal court against G8 Education Limited, alleging underpayments and seeking compensation of more than $2 million for more than 1,400 workers. We are seeking declarations, penalties and orders for any outstanding amounts to be paid to affected workers.

Through proactive engagement and strategic enforcement, we continue to address systemic underpayments and improve compliance across the sector.

Universities

Universities employ a large and diverse workforce across academic, professional and casual roles. We continued to address systemic workplace non-compliance identified through investigations, intelligence and engagement across the higher education sector. We worked closely with universities, sector stakeholders and our Higher Education Reference Group to improve workplace compliance and drive sustainable change across the sector.

Our activities formed part of our University Strategy, which combines education, engagement, investigations and enforcement activities to address systemic underpayments and improve governance and compliance systems across the sector. A key feature of this work was securing several significant EUs with universities that had identified underpayments. During 2025–26, we entered into 6 EUs, bringing the total number of university EUs to 12 since the sector became a priority in 2022. Universities entering into EUs committed to reviewing payroll and workplace compliance systems, commissioning independent audits, rectifying any underpayments identified, and maintaining employee complaints and review mechanisms to ensure staff can raise concerns about their entitlements.

During 2025–26, we entered into EUs with several universities, including:

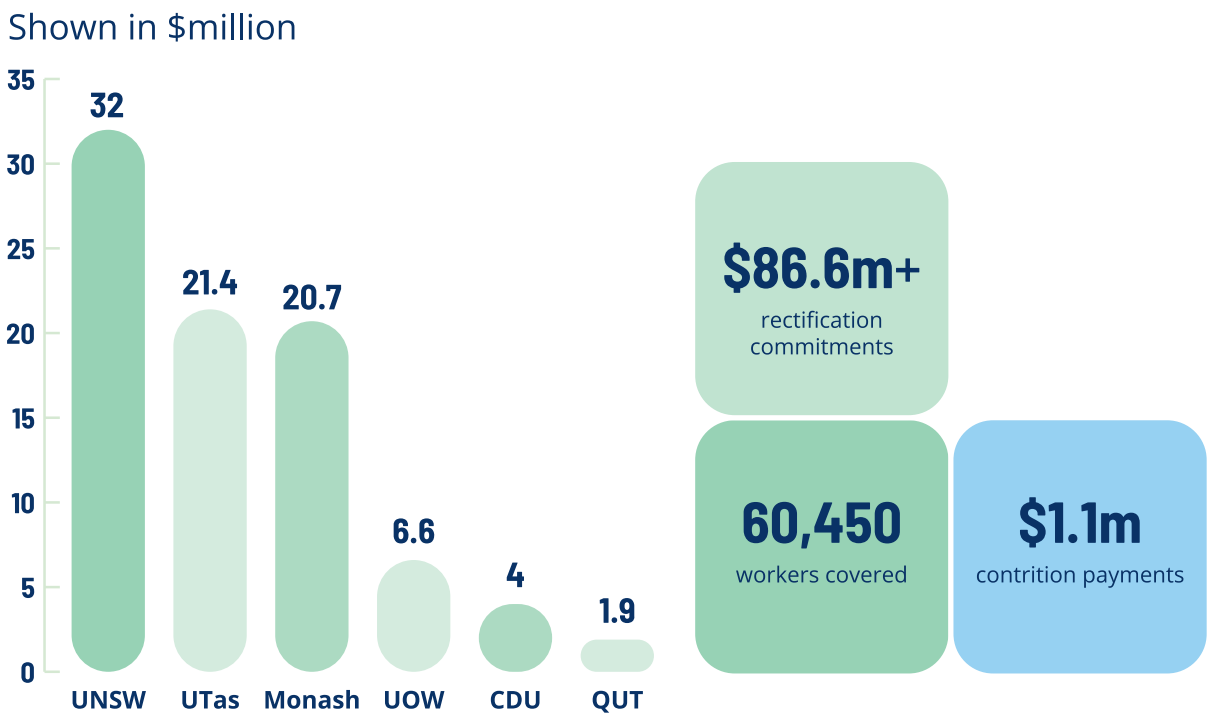
- **University of New South Wales (UNSW):** Committed to more than $32 million in rectification payments, including interest and superannuation, to more than 33,000 underpaid staff, and a $500,000 contrition payment
- **University of Wollongong (UOW):** Committed to more than $6.6 million in payments to 5,340 underpaid staff, including interest and superannuation, and a $130,000 contrition payment
- **Monash University:** Committed to more than $20.7 million in payments to 10,877 underpaid staff, including interest and superannuation, and a $350,000 contrition payment
- **University of Tasmania:** Committed to more than $21.4 million in payments to more than 10,000 underpaid staff, including interest and superannuation, and a $175,000 contrition payment

- **Charles Darwin University (CDU):** Committed to more than $4 million in payments to more than 800 underpaid employees, with a further payroll review underway
- **Queensland University of Technology (QUT):** Committed to more than $1.9 million in payments, including interest and superannuation, to 433 underpaid workers.

We also continued to pursue enforcement action where significant non-compliance was identified. During the year, we secured a $213,120 court-ordered penalty against UNSW for systemic record-keeping breaches that hindered our investigation into university underpayments. Between 2017 and 2022, UNSW failed to make and keep records relating to 63 casual academic employees, including records of hours worked, rates of pay and casual loading entitlements, and failed to include casual loading information on employee pay slips. The Court found the breaches were systemic, long-standing and long-lasting for a large, well-resourced employer.

Through our University Strategy, EUs, stakeholder engagement and strategic enforcement activities, we continue to address systemic underpayments and support improved workplace compliance outcomes across the higher education sector.

Figure 7: University enforceable undertaking outcomes



Strategic initiatives

In addition to our priority sector work, we undertake a range of strategic initiatives that address emerging workplace issues, support long-term compliance improvements, strengthen regulatory capability and inform future compliance and enforcement activities.

Black coal mining

On 6 August 2024, the then Minister for Employment and Workplace Relations, Senator the Honourable Murray Watt, wrote to the Fair Work Ombudsman requesting we consider undertaking an investigation into the payment of casual coal miners working under enterprise agreements in the Black Coal Mining Industry (BCMI).

This correspondence followed a second reading amendment passed by the Senate on 16 May 2024 in connection with the *Fair Work Legislation Amendment* (Closing Loopholes No. 2) Act 2024.

In accordance with our C&E Policy, we determined to commence an investigation into the payment of workers in the industry, including casuals engaged under enterprise agreements.

To support our engagement with the sector we developed targeted communications, including a communication campaign, with social media and a dedicated Black Coal Mining Industry Investigation webpage to enhance awareness and encourage people to report their concerns.

Our investigation involved examining 2 key elements particular to the BCMI sector:

- the role of the Black Coal Mining Industry Award 2020 and enterprise agreements in the BCMI
- the engagement and classification of casual workers in the BCMI.

The outcomes of our investigation are due to be released later in the year.

Maritime

In response to the Australian Government's commitment to implementing recommendations arising from the Maritime Strategic Fleet Taskforce Report, we commenced a 2-year Shipping Compliance Pilot in July 2024. The pilot focused on monitoring compliance with Australian workplace laws on foreign-flagged vessels engaged in coastal trading.

We have delivered a comprehensive program of compliance, education and stakeholder engagement activities through the pilot. These have been supported by strong partnerships with the Australian Maritime Safety Authority (AMSA), the Department of Infrastructure, Transport, Regional Development, Communications and the Arts, and the International Transport Workers' Federation (ITF). A formal memorandum of understanding with AMSA has strengthened information sharing and coordinated regulatory activity, while joint education and compliance operations have been undertaken at ports across multiple jurisdictions.

To improve awareness of workplace rights and obligations, we developed targeted guidance materials for seafarers and translated these resources into 16 languages. We also enhanced maritime-specific information on our website to provide clearer guidance for workers and employers.

The pilot identified common compliance issues, including underpayments relating to minimum wage rates, overtime, penalty rates, employee classification and leave entitlements. Since the commencement of the pilot in 2024, we have commenced 41 investigations. During 2025–26 we recovered more than $924,000 in wages for 212 crew members as part of the pilot program. These outcomes demonstrate our ongoing commitment to ensuring compliance with workplace laws and protecting the rights of seafarers working in Australian waters.

Working with other regulators

We continued to strengthen our collaboration with regulators in areas of shared responsibility through joint compliance operations, information sharing arrangements and coordinated education and enforcement activities. Many of these relationships are supported by memorandums of understanding, exchange of letters, referral guides and other formal arrangements that facilitate referrals, intelligence sharing and collaborative initiatives.

During 2025–26, we worked closely with:

- the ATO on activities targeting workplace non-compliance and sham contracting practices. This included public awareness activities focused on sham contracting, as well as joint operations targeting suspected non-compliance in the hospitality sector. Joint activities included Operation Sentinel in Darwin and Operation Crimson on the Gold Coast, where Fair Work Inspectors and ATO officers undertook compliance activities at food businesses and shared intelligence on potential workplace and taxation breaches. For more information see Sham contracting on page 62
- the ABF to protect vulnerable migrant workers and address exploitation. During the year, we conducted joint inspection activities in suburban Sydney, the Mornington Peninsula and surrounding regions, and South-East Queensland, including Brisbane, the Sunshine Coast and Moreton Bay. These activities focused on industries and locations employing migrant workers and visa holders and provided opportunities to identify non-compliance, educate employers and workers, and reinforce workplace rights and obligations.

Through these partnerships, we strengthened our ability to detect and address non-compliance, improve employer awareness and deliver coordinated regulatory responses across areas of shared responsibility.

Pacific Australia Labour Mobility (PALM) scheme

The PALM scheme allows eligible Australian businesses to employ workers from 9 Pacific Island countries and Timor-Leste when there are insufficient local workers available. The scheme is jointly administered by DEWR, and the Department of Foreign Affairs and Trade.

We continued to support the PALM scheme through education, compliance, and enforcement activities. Our role includes conducting workplace history checks by investigating approved employers, developing English and in-language resources to help workers understand their workplace rights and obligations, delivering presentations to PALM scheme workers arriving in Australia, and undertaking site inspections and investigations of approved employers and host employers.

In 2025–26, we completed 62 matters, including 59 where a determination could be made, resulting in recovering more than $973,000 for 331 workers. We also issued 26 CNs, recovering more than $370,000 in unpaid entitlements, and 5 INs, resulting in $8,910 in penalties paid.

During the year, we secured penalties of $43,000 against McCrystal Agricultural Services Pty Ltd and $5,500 against its director after the company made unlawful deductions from the wages of PALM scheme workers. We also commenced proceedings against Bulmer Farms Pty Ltd, alleging underpayments of more than $645,000, including almost $9,000 in unlawful deductions, affecting 28 PALM scheme workers employed on a Victorian vegetable farm.

Increasing trust and awareness

Employers and workers know about the Fair Work Ombudsman and what we do

Social media and engagement

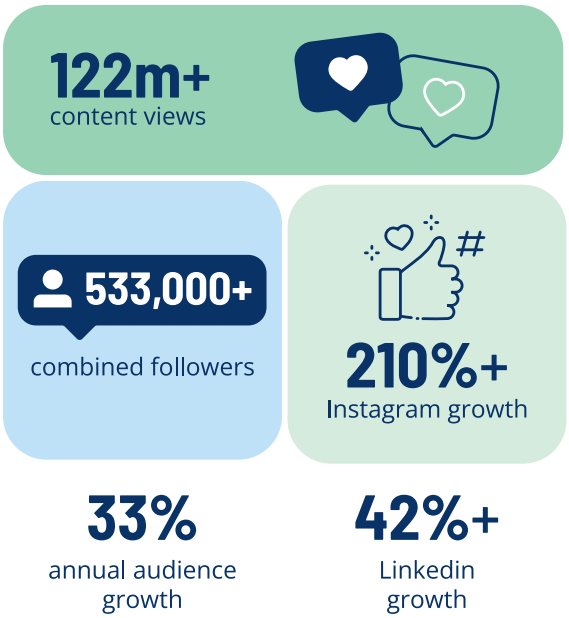
We continued to grow our communication channels through organic and paid activities in 2025–26. Our communications supported our priority areas by promoting awareness of workplace rights and obligations, highlighting compliance and enforcement outcomes, supporting inquiries and consultations, and amplifying messages from our Reference Groups and collaborative activities with other agencies.

Our strong follower growth and increased engagement on social media enabled us to reach more workplace participants, increasing awareness of our role and helping more employers and workers understand their rights and obligations. We continued to promote our tools and resources, inform the public about changes to workplace laws, including workplace legislation, award updates and minimum wage increases, and placed greater emphasis on developing content that directly addressed customer enquiries.

At 30 June 2026, our combined social media audience exceeded 533,000 followers, representing growth of more than 132,000 followers (33%) during the year. Facebook remained our largest channel, while Instagram recorded the strongest growth, with followers increasing by more than 210%. LinkedIn also continued to grow strongly, increasing by more than 42%.

Our social media content was viewed more than 122 million times during 2025–26, with Facebook accounting for more than 77% of all views. Our most viewed posts were about employees needing to be paid for all the time they work, with the 3 Facebook posts being viewed a combined 10 million times. We also responded to 2,197 enquiries received through our social media channels.

Figure 8: Social media audience growth and content views in 2025–26



Campaigns

We delivered 9 paid communications campaigns during 2025–26 to improve awareness of workplace rights and minimum entitlements, reach priority and vulnerable audiences, support consultation activities and connect workers and employers with our tools, resources, and services.

Campaigns included:

- **Disability Support Services Sector Inquiry** supported awareness of the Disability Inquiry and encouraged participation from stakeholders through digital video, LinkedIn, and social media advertising. The campaign:
  - generated more than 5 million views across digital channels
  - promoted Inquiry engagement activities and events held across Brisbane, Toowoomba, Bendigo, Bunbury, Melbourne, Newcastle, Perth, and Sydney.

More information on the Inquiry is available on page 38

- **Know your bare minimums** raised awareness of legal minimum entitlements, including minimum wages and National Employment Standards (NES) entitlements, among workers and employers in priority industries including hospitality, retail, manufacturing, security, construction, agriculture, healthcare, and social assistance. The campaign involved:
  - advertisements across Meta and LinkedIn, generating nearly 18 million views and more than 25,000 clicks across the 2 channels.
  - translated messaging in Simplified Chinese, Traditional Chinese, Hindi, Arabic, Korean, Japanese, and Thai to support culturally and linguistically diverse audiences.

Reaching priority and vulnerable workers

A number of advertising campaigns ran in 2025–26 to increase awareness and support small business employers and young people to understand workplace laws and obligations. As part of this communications work, 4 different campaigns targeted these 2 groups:

- **Mythbusting** targeted young workers and small businesses to address common misconceptions about workplace rights and obligations. Using animated video content, the campaign covered topics including annual leave and personal leave accrual and evidence requirements, pay deductions for breakages, and casual employment. The campaign:
  - generated more than 7.6 million views
  - delivered over 101,000 clicks to our website, including to the pay deductions and annual leave webpages.
- **Fast food, restaurants and cafés in-language** campaign supported employers and workers in the sector by promoting information about minimum pay rates and visa workers having the same workplace entitlements as other employees. The campaign:
  - delivered translated content in Simplified Chinese, Japanese, Korean, Spanish and Thai across Meta and XiaoHongShu
  - generated nearly 2.7 million views and more than 12,500 clicks to information about workplace obligations and entitlements
  - generated a notable increase in website translations with a 562% change in the targeted languages.
- **Small business resources** promoted our dedicated support tools, resources, and services for small business employers. The campaign specifically drove employers to the small business showcase, workplace legislation changes webpage, Online learning centre, and EAS. The campaign:
  - generated nearly 4 million views across LinkedIn, Google Search, and digital display advertising
  - delivered more than 13,000 clicks to small business resources and services
  - published a social media video featuring a 'day in the life' of an EAS adviser to highlight the free service available for small business employers
  - was supported by emails to small business employers promoting LinkedIn articles about pay and annual leave.
- **Young workers** aimed to increase awareness of workplace rights among workers aged 16–18 years. Using video-led advertising across TikTok, Snapchat and Meta, the campaign focused on minimum pay rates, unlawful job advertisements, and pay secrecy. The campaign:
  - generated more than 12 million views
  - delivered more than 45,000 clicks to our Pay Calculator and workplace rights information.

Through our communications activities, we continued to increase awareness of workplace rights and obligations, support compliance with workplace laws and connect more workers and employers with trusted information, advice, and services.

Email subscription services

Our email subscription service provides targeted information on various topics including updates to pay rates and entitlements, new website information and resources, and industry and award-specific updates.

As at 30 June 2026 we had 444,691 active email subscribers. In 2025–26 we sent more than 200 email updates and digital newsletters, totalling more than 7.1 million emails to our subscriber base.

Media

Our media releases help us to share the news of our enforcement and compliance activities through mass media coverage. Individual media releases can reach an audience of millions, helping to increase awareness about what we do, what the law is, and acting as a general and specific deterrent by publicly highlighting the consequences of non-compliance.

We published 129 media releases in 2025–26. Anna Booth also completed approximately 30 media interviews across radio, television, and podcasts, highlighting our litigations, EUs, on-the-ground inspections and their results, and helping to educate the wider community to help them meet their workplace obligations.

One of the key focus areas in 2025–26 was increasing awareness of our parallel regulation, with our media releases describing the FWO's joint inspections with federal and state regulators, most commonly the ATO and Department of Home Affairs, in priority areas of horticulture and fast food, restaurants and cafés.

Media coverage included:

- Our joint media release with the ATO and Department of Home Affairs on inspections to check employer compliance in the South Australian wine regions of the Barossa Valley, Adelaide Hills and McLaren Vale reached a cumulative audience of 3.8 million people, with widespread metropolitan and regional coverage, including TV and radio interviews.
- Our media release on the commencement of our ongoing litigation against the CFMEU and 2 of its Victorian officials for allegedly coercing and misrepresenting the rights of a First Nations labour hire firm reached a cumulative audience of 7.5 million people, including through prominent print and online coverage.
- Our media release on the University of Tasmania entering into an EU, as part of commitments to complete backpayments of more than $21 million to 10,000 staff and improve its compliance practices, reached an audience of 2.5 million through high-profile coverage in Hobart and Launceston and in national outlets.

Media activities also have an important role in maintaining and building community trust, particularly with vulnerable cohorts that the FWO prioritises, and encouraging individuals to seek out our resources and other assistance with workplace issues.

We often provide translated media releases to in-language news services on matters that are of a strategic interest to culturally and linguistically diverse audiences. During 2025–26, we translated 11 of our media releases, with translations into a combined 9 languages: Filipino, Chinese, Vietnamese, Nepali, Korean, Thai, Indonesian, Japanese and Hindi. As a result, we saw more than 25 in-language news articles covering the matters in the translated releases. The media releases translated often involved matters where visa holders had been underpaid.

Using media to celebrate positive outcomes

Following surprise visits in Hobart, it was found that compliance had improved significantly in some businesses since the previous inspections in 2019. To recognise this improvement, a Fast Food, Restaurants & Cafés Reference Group member organised for their Tasmanian branch to be featured, with quotes attributed to them, in a FWO media article. This promoted the ongoing commitment to collaborative compliance efforts in the sector and supports a commitment made by the Reference Group to highlight and celebrate positive outcomes through media coverage.

Stakeholder and community engagement

Effective stakeholder and community engagement is integral to the FWO's role as Australia's workplace regulator. Through collaboration with government agencies, industry bodies, community organisations, and workplace participants, we strengthen our mission to promote harmonious, productive, cooperative, and compliant workplace relations in Australia.

We continued our collaborative relationship with DEWR to support the achievement of the objectives of Australia's workplace relations system and the Fair Work Act. Through ongoing engagement, we contribute our regulatory knowledge and expertise to inform the development of workplace relations policies, programs, and legislative reforms. We also continued to identify and pursue opportunities for collaboration across government, industry, and community sectors to deliver positive outcomes for workplace participants.

We continued to work closely with state and Commonwealth regulators, including the Victorian Labour Hire Authority (VLHA). Joint engagements with the VLHA included outreach activities in the Yarra Valley, where regulators met with growers and labour hire providers to discuss workplace compliance issues and provide education on workplace obligations.

Further information on this joint activity is available on the Yarra Valley compliance issues media release (**fairwork.gov.au/newsroom/media-releases/2026-media-releases/march-2026/20260318-lha-and-fwo-yarra-valley-compliance-issues-media-release**).

Community engagement

A key focus for community engagement was strengthening relationships with intermediaries, community organisations, employers, workers, and other stakeholders to improve awareness of workplace rights and obligations and support compliance with workplace laws.

Across these activities, we focused on increasing awareness of our role and resources, empowering trusted intermediaries, strengthening community participation, and supporting compliant, productive workplace relations.

Key audiences and cohorts for 2025–26 were:

- participants of FWO priority sectors (aged care services, agriculture, building and construction, disability support services, and fast food, restaurants and cafés)
- small business
- young workers and students (including international students)
- migrant workers.

Presentations and workshops

We participated in 70 events, presentations, and workshops during 2025–26, reaching workers, employers, intermediaries and community stakeholders across priority sectors and cohorts.

We hosted 2 community legal centres forums, providing opportunities to exchange information with frontline legal advocates, strengthen referral pathways and identify emerging workplace issues affecting vulnerable workers.

Other activities included:

- major events including the Big Meet careers expos for undergraduates and graduates across Australia, Tasmania's Agfest, and small business expos, reaching thousands of workplace participants and their networks
- presentations to key audiences and stakeholders, including translated presentations for recent migrants through the Migrant Resource Centre North-West Region, joint presentations with the VLHA to growers and labour hire providers in regional Victoria, and small business presentations to local business chambers
- in-depth workshops for intermediaries, such as university student advisors, to build understanding of key workplace entitlements, common issues, and pathways for resolution.

We engaged regularly in government, community, and small business forums and meetings. These engagements enabled us to share information, identify and develop partnership opportunities, and strengthen relationships across government agencies and community organisations.

Through our strategic engagement, we strengthened partnerships and collaborative efforts, extended our reach, and captured insights into key community challenges in accessing and engaging with FWO services.

Webinars

We delivered 22 webinars to priority sectors and audiences, generating 9,112 views during the period. Audiences included:

- small businesses
- young workers
- international students
- First Nations people
- agriculture
- the fast food, restaurants and cafés sector
- the building and construction sector.

Supporting legislative reforms

With the staggered introduction of several legislative reforms over recent years, supported by new and updated education resources, the webinar program played an important role in the agency's education response. This included delivering webinars on:

- the right to disconnect
- casual employment changes
- regulated workers.

Following recommendations from the Independent Review into Paid Family and Domestic Violence (FDV) leave, the webinar program helped raise awareness about FDV leave. Information about the entitlement, including casual employees' access to FDV leave and promotion of the FWO's employer guide (where relevant), was covered in 6 webinars targeting audiences including small businesses, vulnerable employees, the fast food, restaurants and cafés sector, and first-time employers.

Move to on-demand viewing

To improve accessibility and extend the reach of our education activities, webinar recordings were published on our YouTube channel. This enabled workplace participants to access information at a time and place that suited them and contributed to a 250% increase in webinar views, from 3,541 in 2024–25 to 9,112 in 2025–26.

Webinar recordings are available on the FWO YouTube channel (**youtube.com/@FairWorkGovAu**).

Education, advice and assistance

Employers and workers understand their workplace rights and obligations

Website

Our website, fairwork.gov.au, is our primary customer service channel, with more than 24 million visits in 2025–26. As our largest and busiest platform, it is a critical channel for providing information, education, and advice on Australia's workplace relations system. The website offers:

- comprehensive information for workers and employers about workplace rights and obligations
- industry-specific guidance on workplace laws and requirements
- self-service tools, including the Pay and Conditions Tool (PACT), the Library, online learning courses, and interactive templates
- information in a variety of formats to meet the diverse needs of our users, including easy-to-read guides, visual aids and infographics designed to make information accessible, engaging and tailored to the different ways people seek information
- professionally translated information and resources in more than 30 languages and a machine translation tool available in 36 languages
- an anonymous reporting tool available in 16 languages other than English, where members of the public can let us know about a workplace that isn't following the law anonymously
- Frankie, a virtual assistant that helps customers navigate to relevant information, tools, and resources.

We actively promote our website information, tools and resources through social media, email communications, and other channels, helping to elevate important advice for different audiences and ensuring customers can access reliable information in the ways that best suit their needs.

We also continue to remain focused on ensuring our website material remains trusted, accessible, and optimised for discovery, so that accurate information is readily surfaced by search engines and AI tools.

This financial year we saw a decrease in our website traffic compared to the previous financial year. This reflects broader digital trends as users increasingly access information through AI-powered platforms and search engine summaries. As search behaviours evolve, our continued focus on maintaining high-quality, authoritative information is critical to ensuring customers can find and rely on our information wherever they search.

Enhancing our information

We continue to respond to changing community needs through regular reviews, user feedback, and website enhancements. We made proactive updates to ensure our information remains relevant, accessible, and user-focused, while expanding our virtual assistant, Frankie, across additional website information.

Key improvements included:

- new guidance on the responsible use of AI in workplaces
- enhancements to workplace problems information
- enhancements to ending employment information
- ongoing reviews of high-traffic information to ensure it remains effective, relevant, and meaningful for users.

Responding to legislative and regulatory changes

We regularly update our website to ensure the community has access to timely, accurate and current information. In 2025–26, we enhanced our website information and resources in response to

legislative and regulatory changes, helping employers and workers understand and meet their workplace obligations. This included:

- updating our information and resources on right to disconnect laws, introduced under the *Fair Work Legislation Amendment (Closing Loopholes No.2) Act 2024*, which applied to small business employers from 26 August 2025. We published a new video series for small business employers, developed in consultation with our Small Business Sub-Committee and DEWR. See Small business services and engagement.
- updating our paid parental leave guidance following the introduction of additional protections for employer funded paid parental leave as part of the *Fair Work Amendment (Baby Priya's) Act 2025*.
- developing guidance to inform the community about the *Fair Work Amendment (Fairer Fuel) Act 2026*, which introduced changes to how the FWC can make road transport contractual chain orders, as well as the subsequent *Road Transport Contractual Chain Order – Fuel Cost Recovery – 2026*.
- significant updates to information and guidance on several awards, following decision from the FWC's gender-based undervaluation – priority awards review.

Tailored information and resources

We continued to expand and enhance our online tools and resources in 2025–26 to provide tailored information and guidance for our customers. To help employers and workers prevent, navigate, and resolve workplace issues, we enhanced our online information and resources in several key areas, including:

- expanded guidance on preventing and responding to workplace sexual harassment
- a new maritime industry section
- enhancements to our building and construction sector section
- new tailored agriculture information focusing on meat processing, poultry, and viticulture
- new information on our Disability Support Services Sector Inquiry
- expanded small claims guidance to support claimants through this process
- enhanced representational rights information
- enhanced pathways between our website and the FWC website.

We continued to work with key stakeholders, including the Advisory Group and reference groups to ensure the information we present remains insightful and relevant for our customers.

In-language information and resources

Our information and resources are available in more than 30 languages through professionally translated material, as well as a machine translation tool that enables customers to view website information in 36 languages other than English. We also provide our anonymous reporting tool in 16 languages other than English.

Further information about anonymous reports is available on page 58.

In 2025–26, customers translated website pages more than 110,000 times using the auto-translation tool. Most of these translations were to Simplified Chinese, Japanese, Korean, French, and Spanish. The 5 most translated pages were:

1. Pay and wages
2. Contact us
3. Pay guides
4. Send us an anonymous tip off
5. Casual Employment Information Statement.

Online education and compliance tools

Our suite of educational resources and compliance tools help workplace participants understand their rights and responsibilities, and navigate workplace issues with confidence. Providing accessible, practical guidance helps employers and workers identify and address issues early and take steps to meet their workplace obligations.

Fact sheets, best practice guides, and templates

We provide a range of resources on workplace relations topics for employers and workers, including digital and downloadable fact sheets, best practice guides, and templates. These resources outline minimum rights, responsibilities and entitlements under the FW Act and provide advice on specific topics.

Our fact sheets were viewed over 1.8 million times in 2025–26. The most viewed fact sheets related to notice of termination and redundancy, parental leave, and maximum weekly hours.

Our best practice guides aim to help small businesses and workers with practical advice and guidance on adapting best practice initiatives to achieve fairer, more productive, and compliant workplaces. Available as both a downloadable and digital resource, our best practice guides were viewed 423,681 times, with the most viewed guides providing guidance on parental leave, workplace privacy, and flexible working arrangements.

Our interactive template tools and downloadable templates and letters help employers and workers manage a wide range of workplace obligations, including employing staff, pay slips and record-keeping, and ending employment. These templates can be tailored to individual circumstances. Our interactive and downloadable templates were downloaded 272,937 times, with the most accessed template being our letter of resignation, which supports employees in meeting their workplace obligations.

Online learning centre

Our online learning centre provides free and interactive online courses that help employers and workers build the skills and strategies needed to manage workplace issues. Online learning courses were accessed 48,579 times. The 5 most popular courses were:

- Difficult conversations in the workplace (employee course)
- Difficult conversations in the workplace (manager course)
- Diversity and discrimination
- Managing performance
- Starting a new job.

Record My Hours app

Our Record My Hours app provides a simple way for workers to record and store their work hours, plus other information about their employment. Keeping their own records can assist in addressing workplace concerns if an issue arises. Across 2025–26, the app was downloaded 20,632 times, which is the highest number of downloads since it was first launched in 2017.

Library

Our Library provides customers with access to tailored workplace relations information, including more detailed guidance on workplace issues that is not available elsewhere on our website. The Library is also used by our Fair Work Infoline advisers when assisting our customers.

In 2025–26, Library articles were viewed more than 1.4 million times. The most viewed articles related to:

- calculating annual leave loading
- annual leave and sick leave during workers compensation
- resignation – notice period
- casual penalty rates in the Retail Award
- pay for sleepovers in the Social, Community, Home Care and Disability Services Award

PACT

Our online Pay and Conditions Tool (PACT) helps employers and workers to easily identify and calculate minimum pay rates, allowances, penalty rates and minimum entitlements under the National Employment Standards such as leave, notice and redundancy entitlements. PACT helps customers identify possible awards through an occupation and industry search to find their minimum pay and entitlements.

Customers visited PACT over 5 million times in 2025–26, performing more than 4.6 million calculations. The top industries viewed remain consistent with previous years, which were:

- hospitality
- building, construction, and on-site trades
- retail
- health support services
- manufacturing.

Online enquiries and My account

In addition to our website and phone service, we provide assistance via our online channels including My account, email, and social media. In 2025–26 we answered 22,101 enquiries via our online channels, with most (89%) submitted via My account.

My account is our online customer portal that allows customers to:

- submit an enquiry about a workplace issue
- save website pages, awards, and PACT calculations
- receive important updates and tailored workplace information.

Of those enquiries we answered via My account, 82% were from workers and their representatives, and consistent with the past 10 years, were commonly from the following sectors:

- health care and social assistance
- accommodation and food services
- professional, scientific, and technical services
- construction
- retail trade.

Phone services

The Fair Work Infoline encourages voluntary compliance, in line with our strategic enforcement approach, by providing high-quality advice, assistance and education to help promote workplace-level conversations and resolutions.

In 2025–26 our Fair Work Infoline advisers answered 287,150 calls, the majority of these from workers or their representatives (77%). The most common industry types we received phone enquiries for related to:

- health care and social assistance (16%)
- construction (12%)
- accommodation and food services (9%).

The most common enquiries answered by our Fair Work Infoline advisers related to:

- base pay rate (17%)
- final pay (10%)
- hours of work, breaks and rosters (9%).

Depending on their circumstances, customers may be referred to other services, channels or organisations for further assistance. This may include EAS, self-reporting, anonymous reporting, or external agencies or contacts.

> I called for advice with a work issue and I have been very stressed and felt powerless and unheard and [Adviser] answered the phone and provided me the correct steps for a resolution but most importantly she listened to me in a moment of weakness and made me feel better with her compassion and I appreciate that.

> [Adviser] who helped me out on the phone was amazing, he was polite, well spoken and really took the time to explain and listen. He's a great employee. Good work [Adviser]!

> Just wanted to say a huge thanks to [Adviser]. The information and resources she provided was exactly what I needed in order to fairly negotiate the end of my contract.

> [Adviser] was very supportive and clear with a fantastic email of links I needed to go forth with supporting me and my business.

Small business services and engagement

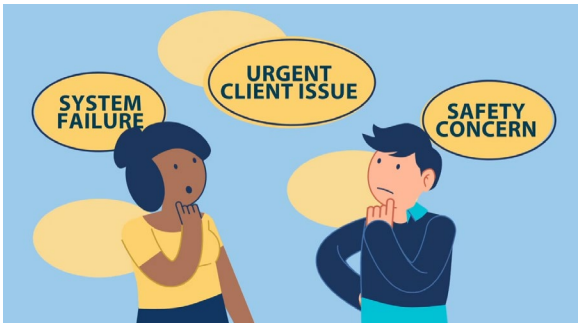
Small business employers and workers remain an enduring priority. We recognise that small businesses often have limited time and resources to navigate workplace obligations, and we are committed to providing practical, accessible, and tailored support to help them meet these.

We help small business employers, and their workers to understand their rights and responsibilities, build confidence in managing workplace issues, and support compliance with workplace laws. Our resources help small businesses throughout the employment lifecycle, from recruiting and onboarding, managing staff, to ending employment, as well as guidance on understanding minimum entitlements, maintaining records and pay slips. We provide support through:

- the Small Business Showcase on our website
- the Small Business Helpline
- our EAS
- targeted social media campaigns and subscriber emails
- online learning and training resources
- PACT
- templates, checklists, and record-keeping tools
- stakeholder engagement and outreach activities.

During 2025–26, we updated our content for small businesses to include recent legislation changes, including the commencement of Right to Disconnect laws, applicable for small business from 26 August 2025. In consultation with members of our Small Business Sub-Committee and DEWR we developed a series of educational videos about best practice guidance on applying the new provisions in the workplace.

Figure 9: Screenshot from Right to Disconnect campaign



Our direct support services continued to play an important role in assisting the small business community. During 2025–26, our Small Business Helpline answered 40,187 calls, providing tailored information and guidance on workplace issues. We also resolved 2,342 RfAs involving small businesses, recovering more than $1.3 million for 395 workers.

Employer Advisory Service

We continued to support small business employers through our EAS, providing tailored written advice to help them understand their obligations and build compliant workplace practices.

In 2025–26, 95% of customer feedback survey respondents said they would use the EAS again.

The majority of enquiries came from the construction industry (22%) and health care and social assistance industry (13%). In both industries, award-based allowances were among the top enquiry issues.

In construction we were frequently asked to explain how travel allowances in the 3 main industry awards worked. Businesses operating aged or disability support services often asked for help with allowances relating to travel, sleepovers and broken shifts.

Analysis showed that more than 30% of enquiries from the health care and social assistance industry were from small businesses delivering support services to people living with disability or the aged. In construction, nearly 30% of enquiries were from either electrical or plumbing businesses.

> I would like to thank the Fair Work Ombudsman for the clear guidance. As a small business, dealing with all the regulatory requirements while also keeping up with frequent updates can be very difficult and overwhelming at times. The fact that your team provides practical examples, step-by-step information, and timely updates makes it much easier to understand and apply the rules correctly. Your efforts help small businesses like ours remain compliant and confident in managing our responsibilities. We really appreciate the support and accessibility of information you provide. Small business owner, health care and social assistance industry.

Case study

The manager of a small plumbing business asked us for advice about moving to a 4-day working week. Employees were supportive of the change and proposed working from 6.30 am to 4.30 pm, Monday to Thursday, with a 30-minute unpaid lunch break, allowing them to work their 38 ordinary hours over 4 days. The manager sought advice on whether this was permitted under the relevant award and how overtime would apply if employees worked more than 38 hours per week.

In our written advice, we explained that the award allowed the employer and a majority of employees to agree to an alternative arrangement for ordinary hours, including working more than 8 hours on a day. We also explained that, by agreement, the spread of hours could be shifted so the working day could begin at 6.30 am rather than 7.00 am. This meant the proposed arrangement could be accommodated under the award, provided agreement was reached.

We recommended that written records be kept of any agreements to vary ordinary daily hours and start times to avoid misunderstandings. We also explained that overtime would apply where an employee worked more than 9.5 hours in one day, more than 38 hours in a week, or outside the agreed spread of hours, meaning any hours worked on a Friday would be paid at overtime rates.

Small businesses are often unaware of the flexibility that awards offer. This example shows how employers and workers can agree to changes that support business needs while maintaining compliance with workplace obligations.

Resolving workplace disputes

Disputes about compliance with workplace laws are resolved by dispute resolution and the use of enforcement tools

We support workers, employers, and their representatives to resolve workplace disputes and remediate non-compliance with workplace laws. Consistent with our strategic enforcement approach, we promote voluntary compliance by helping workplace participants understand their rights and obligations, communicate effectively, and resolve issues at the workplace level where appropriate.

Our dispute assistance services provide practical, impartial support to help parties identify issues, understand available options, and take informed action. These services are available to all members of the workplace community and help resolve disputes quickly and efficiently.

Pathways to resolving disputes

We continued to support workers, employers, and their representatives to resolve workplace disputes and remediate non-compliance with workplace laws. Our approach recognises that many workplace issues are most effectively resolved when the people involved understand their rights and obligations, communicate clearly, and have access to practical, impartial support.

Our strategic enforcement approach generally separates the service and assistance we provide to people from the way we assess information for compliance and enforcement purposes.

Separately, we assess information received through our services to identify patterns, emerging risks and serious or systemic non-compliance. This information may be referred to specialist investigative teams or recorded to inform future compliance and enforcement activities, helping us focus our compliance and enforcement work where it can have the greatest impact.

Our advice, education and dispute assistance services promote voluntary compliance by giving people practical information and guidance. Through our website, online tools, resources, and phone-based dispute assistance service, we help people identify appropriate pathways to resolution. Where agreement cannot be reached, we help parties understand how they can continue managing the issue themselves.

If another organisation is better placed to assist, we guide parties to appropriate support, such as unions, employer organisations, community legal centres, state tribunals, or small claims processes. For more information on enforcement actions, see Strategic compliance and enforcement on page 29.

In 2025–26, FWO staff members received positive comments from the public about our services when assisting with disputes.

> My officer was a lovely person, explaining the process clearly. He listened and helped me understand my obligations and gave me good information so that I can make sure as a business, we continue to aspire to be up to date and provide good outcomes for our employees. I was most impressed and felt supported along the way to make best informed decisions. Thank you.

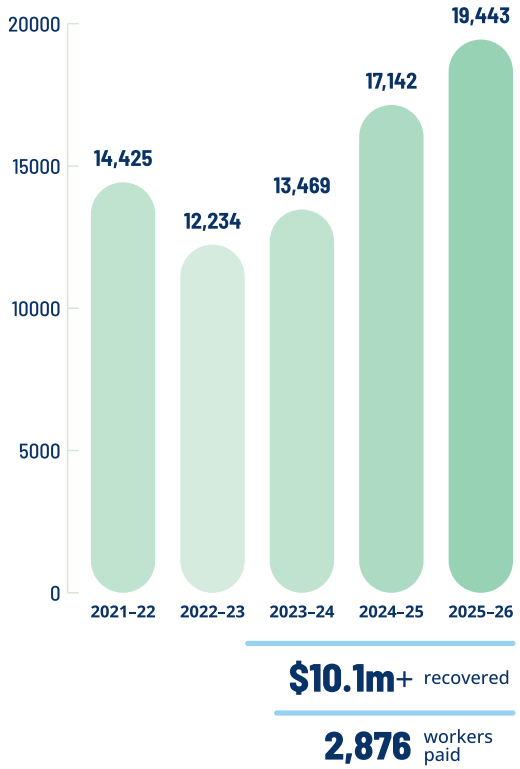
> My Dispute Assistance Officer explained the process, listened carefully to my concerns and approached my case with empathy, fairness and professionalism. I always felt informed and supported, and she genuinely made what was a stressful situation much easier to navigate.
> Thank you for your help. Like I said, unfortunately I didn't receive the outcome I had hoped for with the employer, however I appreciate you assisting the situation, and guiding me towards next steps I can take.

> I am writing to provide feedback on the assistance I received from officer in relation to my unpaid wages claim against my ex-employer. The officer resolved my matter efficiently and professionally. Thanks to her intervention, my employer agreed to pay the outstanding wages, bringing this stressful situation to a close. I am very grateful for her help.

Responding to requests for assistance

In 2025–26, we finalised 19,755 workplace disputes. Most matters were finalised through dispute assistance, while others progressed to enforcement action (see page 29, Strategic compliance and enforcement). Through dispute assistance, 2,976 workers recovered more than $10.1 million.

Figure 10: Disputes completed via our dispute assistance services over the past 5 financial years



Supporting vulnerable workers, including young and migrant workers, remains an enduring priority. Young workers accounted for 25% of completed RfAs. This cohort remains vulnerable because they often have limited workplace experience and reduced awareness of workplace rights. We continue to support young workers, including apprentices and trainees, through communication campaigns and compliance strategies. For more information on our targeted campaigns, see Social media and engagement on page 45.

Migrant workers have the same workplace rights, protections, and entitlements as other Australian workers. RfAs involving visa holder and migrant workers commonly related to accommodation and food services (35%). Allegations included underpayment of hourly rates (19%) and issues with final pay (17%).

Where another regulator is better placed to address issues raised in workplace disputes, we can guide parties to the relevant organisation for further assistance. We have formal arrangements with Commonwealth and state regulators to support our role in promoting compliance. These arrangements may involve sharing information and intelligence, undertaking joint education and compliance activities, and referring potential non-compliance for consideration and action. For more information, see Working with other regulators on page 43.

Assisting small claims

Under section 548 of the *Fair Work Act 2009*, workers can use the small claims process to recover unpaid wages and entitlements of up to $100,000. Small claims may involve disputes about:

- entitlements under the NES
- terms of an award or enterprise agreement
- safety net contractual entitlements
- a workplace determination
- a national minimum wage order
- an equal remuneration order.

This process gives individuals an accessible and cost-effective way to pursue unpaid wages and other workplace entitlements through the courts.

While we do not provide legal representation, we can support vulnerable workers through the small claims process. We offer resources to assist eligible applicants with drafting and filing court forms and evidence, guidance on electronic lodgement, hearing preparation, and advice on court processes.

We work closely with the courts to maintain referral pathways, improve information sharing and support more coordinated, user-focused small claims systems.

By improving access to justice and supporting self-represented applicants, the service helps vulnerable workers recover unpaid entitlements and achieve fair workplace outcomes. In 2025–26, we assisted with 127 small claims which recovered $819,575.

We are also continuing our work to address barriers experienced post-judgment by supporting applicants in the enforcement of court orders, including advising applicants on enforcement options and next steps.

Anonymous reporting

Our anonymous reporting tool allows members of the public to report suspected non-compliance with the FW Act, a specific award, or an enterprise agreement. Information from anonymous reports, together with our operational data and research, helps us identify emerging issues, detect patterns, and target education, engagement and compliance activities where they are most needed.

In 2025–26 we received 31,596 anonymous reports, demonstrating the continued value of the tool as a trusted way to raising concerns about potential workplace non-compliance. We encourage members of the community to report concerns, including matters relating to:

- potentially unlawful job advertisements
- freedom of association issues
- inappropriate conduct by union officials or delegates
- sexual harassment
- discrimination.

The most common anonymous reports received in 2025–26 related to:

- underpayment of hourly rate
- hours of work
- non-payment of wages
- rosters and breaks
- penalty rates.

Anonymous reports remain particularly important for vulnerable workers. Young workers, apprentices, and trainees accounted for a significant proportion of anonymous reports received during the reporting period, highlighting both the challenges these cohorts face and the tool's important role as a safe pathway for raising concerns.

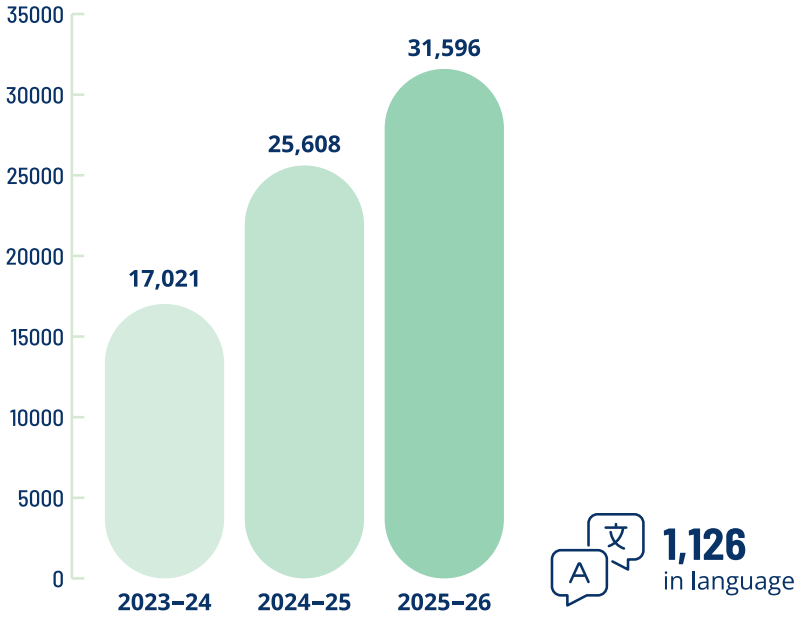
The reporting trends by industry type remain consistent:

- accommodation and food services (22%)
- health care and social assistance (13%)
- retail (10%).

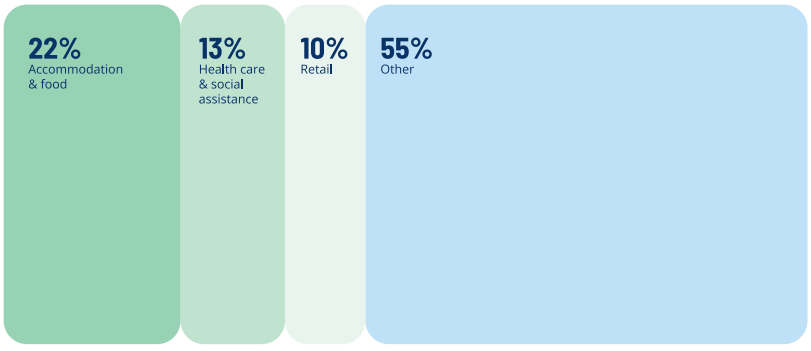
These industries continue to employ large numbers of young workers and other potentially vulnerable cohorts, reinforcing the importance of targeted education, engagement and compliance activities.

The tool is available in 16 languages other than English, helping culturally and linguistically diverse people report workplace issues. In 2025–26, 1,126 anonymous reports were submitted in a language other than English, with more than one-third (34%) of these relating to the accommodation and food services industry.

Figure 11: Anonymous reports received



2025–26 industry share



Serious and systemic non-compliance

Serious and systemic non-compliance is detected and addressed

The FWO focuses its compliance and enforcement activities on conduct that presents the greatest risk to workplace compliance and where it is likely to have the greatest impact. While criminal investigations form part of our broader strategic compliance and enforcement approach, we also address serious and systemic non-compliance through targeted regulatory activities that seek to deter workplace non-compliance and support sustainable compliance outcomes.

Serious contraventions

Under the FW Act we may make use of tougher provisions via litigation to ensure those who commit serious contraventions are held to account. This also acts as a general deterrent to others from engaging in similar conduct. A serious contravention occurs when a court finds that a person or business either:

- knowingly breached a workplace law obligation, or
- was reckless as to whether the breach would occur.

Serious contraventions attract significantly higher penalties than ordinary contraventions because these breaches involve deliberate or reckless non-compliance. Someone else involved in the contravention, who knew it was a contravention, could also face higher penalties.

In 2025–26, courts could impose maximum penalties of up to $198,000 for individuals, $990,000 for companies, and $4.95 million for larger companies per contravention (these amounts increased after this reporting period on 1 July 2026).

In 2025–26, we commenced proceedings in the Federal Court against the former operator of Miso World Square for alleged serious contraventions concerning underpayment and record-keeping breaches. We allege the employer knowingly underpaid 86 workers more than $162,000, including penalty rates, overtime rates and annual leave entitlements. The majority of affected workers were visa holders. The proceedings reflect our continued focus on addressing significant and deliberate workplace law non-compliance and protecting vulnerable workers.

Additional information is available on our website media release. (**fairwork.gov.au/newsroom/media-releases/2026-media-releases/february-2026/20260226-sadamatsu-litigation-media-release**)

Three matters with alleged serious contraventions remain before the courts at 30 June 2026.

Systemic non-compliance

Payroll Remediation Program Guide

Addressing systemic non-compliance within the large corporates sector remains a priority for the FWO. In 2025–26, we continued working with self-reporting employers and overseeing complex remediation programs to identify, rectify and prevent underpayments.

Released in April 2025, the Payroll Remediation Program Guide supported employers, workers and their representatives during its first full year of operation. Developed with input from employer organisations, unions, legal and accounting firms and industry bodies, the guide draws on our extensive experience overseeing large-scale remediation programs and provides practical guidance on identifying, investigating and rectifying underpayments.

The guide sets out our expectations for effective remediation, including timely engagement with affected employees, appropriate governance and oversight, transparent communication, evidence-based decision-making and steps to prevent recurrence. It also helps employers considering self-reporting understand key issues such as scope, methodology, remediation payments, locating former employees and corrective actions.

The guide supports our strategic approach to large-scale workplace compliance by promoting employee-centred remediation and encouraging employers to address payroll risks before non-compliance becomes entrenched. It complements our C&E Policy and supports our broader work to promote sustainable compliance and proactive payroll governance.

The Payroll Remediation Program Guide is available on our website (**fairwork.gov.au**). For more information about our compliance activities in this specific area see Large corporates on page 40.

Supply chains and labour hire

Businesses may outsource work to another entity for a range of reasons, including through labour hire, subcontracting or other service arrangements. These arrangements can create supply chains involving several parties. All businesses in a supply chain must comply with workplace laws, including ensuring workers receive their minimum wages, leave and other entitlements.

While supply chain and labour hire arrangements can be lawful and legitimate, additional layers of contracting can increase the risk of non-compliance. Complex arrangements may make it harder to oversee whether workers are receiving their correct entitlements and can create gaps in accountability, particularly where a host business or employer is unaware of the full contracting structure.

Throughout 2025–26, we strengthened our focus on labour hire arrangements and supply chains through education, stakeholder engagement and enforcement activities.

We also published the Guide to labour hire and supply chains to help businesses that engage labour hire providers understand lawful engagement arrangements and support compliance under the *Fair Work Act 2009*.

In March 2026, we worked with the Victorian Labour Hire Authority to engage directly with growers and labour hire providers in the Yarra Valley Labour Hire Forum. This followed findings that 100% of labour hire businesses investigated in the Yarra Valley and Mornington Peninsula were non-compliant with workplace laws.

In 2025–26, we recovered $263,781 for 133 workers from labour supply services businesses. During the same period, we issued 28 compliance notices (CN), which recovered $62,053 for workers, and 17 infringement notices (IN), resulting in $36,960 in penalties paid. These outcomes complemented our broader education, engagement and enforcement work with labour hire providers, host businesses and other regulators.

In January 2026, we commenced proceedings against Queensland labour hire provider Korserv Pty Ltd, alleging underpayments of workers employed in the horticulture sector and failures to meet record-keeping and pay slip obligations. The matter reinforces our focus on improving compliance within labour hire arrangements and addressing risks for vulnerable workers.

Sham contracting

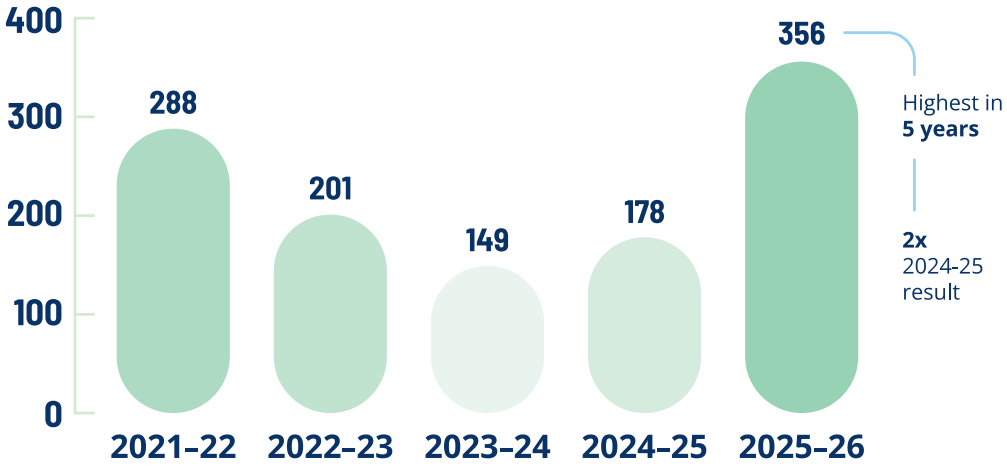
Sham contracting can occur when a worker is intentionally and incorrectly represented as an independent contractor rather than an employee. This can result in the loss of workplace entitlements and protections. The issue is often associated with contracting, subcontracting and labour supply arrangements, especially in industries where complex business models can obscure the true nature of the employment relationship.

We increased our focus on sham contracting and worker misclassification during 2025–26. This included targeting allegations of sham contracting arrangements and misclassification in industries including transport, health care, building and construction, cleaning, security and support services.

During the year, we received 359 disputes and completed 356 sham contracting matters, the highest annual result recorded in the previous 5 years and double the number completed in 2024–25. Through our dispute assistance, compliance and enforcement activities, we recovered more than $224,000 for 28 workers. We also issued 18 CNs, recovering more than $220,000 in unpaid entitlements, and issued 8 INs, resulting in $8,250 in penalties paid.

We joined with the ATO in 2026 to increase awareness of sham contracting and highlight concerning practices of non-compliance. For more information on our work with the ATO see Working with other regulators on page 43.

Figure 12: Sham contracting matters completed





Part 3

Management and accountability

Voluntary redundancy program

Workforce demographics

Workforce management

Corporate governance

External scrutiny

Property and environment management

Financial management

Voluntary redundancy program

During 2025–26, the FWO implemented a voluntary redundancy (VR) program as part of broader workforce planning and financial sustainability measures. The program was open to Executive Level 1, Executive Level 2 and Senior Executive Service employees and was designed to support the agency's long-term financial position while maintaining its capacity to deliver statutory functions and strategic priorities.

The program was informed by workforce and budget considerations, including workforce costs, lower than anticipated attrition and a forecast budget shortfall in 2026–27. It focused on a reduction in management and leadership roles where appropriate, while maintaining organisational capability and service delivery. The program was undertaken following staff consultation and in accordance with the *Public Service Act 1999* and the Fair Work Ombudsman Enterprise Agreement 2024–27.

Under the program, 13 employees separated from the agency. The program contributed to the agency's ongoing efforts to align its workforce profile, organisational structure and budget settings with current and future operational requirements.

Workforce demographics

As at 30 June 2026, the FWO employed 1,045 ongoing and 3 non-ongoing employees under the *Public Service Act 1999* (Public Service Act), representing a total workforce of 1,048 employees. The size, location and composition of our workforce is detailed below.

The agency's workforce remained relatively stable during 2025–26, decreasing from 1,054 ongoing employees at 30 June 2025 to 1,045 at 30 June 2026.

During 2025–26, the agency recorded 75 ongoing engagements, 3 non-ongoing engagements, 9 internal promotions and 81 broadband movements, supporting workforce capability requirements and career development opportunities across the agency

Table 1: Ongoing employees as at 30 June 2026

	Man/Male			Woman/Female			Non-binary*			Prefers not to answer			Uses a different term			Total
	Full-time	Part-time	Total	Full-time	Part-time	Total	Full-time	Part-time	Total	Full-time	Part-time	Total	Full-time	Part-time	Total	
NSW	81	10	91	126	41	167	0	0	0	0	0	0	0	0	0	**258**
Qld	54	6	60	97	28	125	0	0	0	0	0	0	0	0	0	**185**
SA	29	3	32	56	21	77	0	0	0	0	0	0	0	0	0	**109**
Tas	13	3	16	14	7	21	0	0	0	0	0	0	0	0	0	**37**
Vic	94	6	100	153	54	207	0	0	0	0	0	0	0	0	0	**307**
WA	22	4	26	27	21	48	0	0	0	0	0	0	0	0	0	**74**
ACT	28	2	30	23	10	33	0	0	0	0	0	0	0	0	0	**63**
NT	1	0	1	0	0	0	0	0	0	0	0	0	0	0	0	**1**
Total	**322**	**34**	**356**	**496**	**182**	**678**	**0**	**0**	**11***	**0**	**0**	**0**	**0**	**0**	**0**	**1045***

*11 employees identified as non-binary, and to protect their identification they have been added to the total figure only.

Table 2: Ongoing employees as at 30 June 2025

	Man/Male			Woman/Female			Non-binary*			Prefers not to answer			Uses a different term			Total
	Full-time	Part-time	Total	Full-time	Part-time	Total	Full-time	Part-time	Total	Full-time	Part-time	Total	Full-time	Part-time	Total	
NSW	91	8	99	130	32	162	0	0	0	0	0	0	0	0	0	**261**
Qld	54	5	59	88	30	118	0	0	0	0	0	0	0	0	0	**177**
SA	30	4	34	64	19	83	0	0	0	0	0	0	0	0	0	**117**
Tas	13	3	16	12	8	20	0	0	0	0	0	0	0	0	0	**36**
Vic	94	9	103	145	62	207	0	0	0	0	0	0	0	0	0	**310**
WA	24	3	27	32	14	46	0	0	0	0	0	0	0	0	0	**73**

	Man/Male			Woman/Female			Non-binary*			Prefers not to answer			Uses a different term			Total
	Full-time	Part-time	Total	Full-time	Part-time	Total	Full-time	Part-time	Total	Full-time	Part-time	Total	Full-time	Part-time	Total	
ACT	25	3	28	27	8	35	0	0	0	0	0	0	0	0	0	**63**
NT	0	1	1	2	0	2	0	0	0	0	0	0	0	0	0	**3**
Total	**331**	**36**	**367**	**500**	**173**	**673**	**0**	**0**	**14**	**0**	**0**	**0**	**0**	**0**	**0**	**1054***

*14 employees identified as non-binary, and to protect their identification they have been added to the total figure only.

Table 3: Non-ongoing employees as at 30 June 2026

	Man/Male			Woman/Female			Non-binary			Prefers not to answer			Uses a different term			Total
	Full-time	Part-time	Total	Full-time	Part-time	Total	Full-time	Part-time	Total	Full-time	Part-time	Total	Full-time	Part-time	Total	
NSW	0	0	0	1	0	1	0	0	0	0	0	0	0	0	0	**1**
Qld	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	**0**
SA	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	**0**
Tas	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	**0**
Vic	0	0	0	1	0	1	0	0	0	0	0	0	0	0	0	**1**
WA	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	**0**
ACT	0	0	0	1	0	1	0	0	0	0	0	0	0	0	0	**1**
NT	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	**0**
Total	**0**	**0**	**0**	**3**	**0**	**3**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**3**

Table 4: Non-ongoing employees as at 30 June 2025

	Man/Male			Woman/Female			Non-binary*			Prefers not to answer			Uses a different term			Total
	Full-time	Part-time	Total	Full-time	Part-time	Total	Full-time	Part-time	Total	Full-time	Part-time	Total	Full-time	Part-time	Total	
NSW	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	**0**
Qld	0	0	0	1	0	1	0	0	0	0	0	0	0	0	0	**1**
SA	2	0	2	0	0		0	0	0	0	0	0	0	0	0	**2**
Tas	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	**0**
Vic	0	1	1	1	0	1	0	0	0	0	0	0	0	0	0	**2**
WA	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	**0**
ACT	1	0	1	2	0	2	0	0	0	0	0	0	0	0	0	**3**
NT	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	**0**
Total	**3**	**1**	**4**	**4**	**0**	**4**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**8**

Table 5: Ongoing employees by classification as at 30 June 2026

	Man/Male			Woman/Female			Non-binary*			Prefers not to answer			Uses a different term			Total
	Full-time	Part-time	Total	Full-time	Part-time	Total	Full-time	Part-time	Total	Full-time	Part-time	Total	Full-time	Part-time	Total	
SES Band 2	2	0	2	2	0	2	0	0	0	0	0	0	0	0	0	**4**
SES Band 1	4	0	4	9	0	9	0	0	0	0	0	0	0	0	0	**13**
EL 2	23	0	23	29	4	33	0	0	0	0	0	0	0	0	0	**56**
EL 1	51	4	55	72	27	99	0	0	0	0	0	0	0	0	0	**154**
APS 6	84	2	86	124	49	173	0	0	0	0	0	0	0	0	0	**259**
APS 5	114	14	128	166	55	221	0	0	0	0	0	0	0	0	0	**349**
APS 4	30	7	37	59	27	86	0	0	0	0	0	0	0	0	0	**123**
APS 3	14	7	21	34	20	54	0	0	0	0	0	0	0	0	0	**75**
APS 2	0	0	0	1	0	1	0	0	0	0	0	0	0	0	0	**1**
APS 1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	**0**
Total	**322**	**34**	**356**	**496**	**182**	**678**	**0**	**0**	**11**	**0**	**0**	**0**	**0**	**0**	**0**	**1045***

*11 employees identified as non-binary, and to protect individual privacy they have been added to the total figure only.

Table 6: Ongoing employees by classification as at 30 June 2025

	Man/Male			Woman/Female			Non-binary*			Prefers not to answer			Uses a different term			Total
	Full-time	Part-time	Total	Full-time	Part-time	Total	Full-time	Part-time	Total	Full-time	Part-time	Total	Full-time	Part-time	Total	
SES Band 2	2	0	2	2	0	2	0	0	0	0	0	0	0	0	0	**4**
SES Band 1	5	0	5	10	0	10	0	0	0	0	0	0	0	0	0	**15**
EL 2	27	1	28	30	4	34	0	0	0	0	0	0	0	0	0	**62**
EL 1	51	4	55	74	34	108	0	0	0	0	0	0	0	0	0	**163**
APS 6	84	4	88	106	49	155	0	0	0	0	0	0	0	0	0	**243**
APS 5	113	13	126	168	53	221	0	0	0	0	0	0	0	0	0	**347**
APS 4	26	7	33	55	19	74	0	0	0	0	0	0	0	0	0	**107**
APS 3	23	7	30	54	14	68	0	0	0	0	0	0	0	0	0	**98**
APS 2	0	0	0	1	0	1	0	0	0	0	0	0	0	0	0	**1**
APS 1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	**0**
Total	**331**	**36**	**367**	**500**	**173**	**673**	**0**	**0**	**14**	**0**	**0**	**0**	**0**	**0**	**0**	**1054***

*14 employees identified as non-binary, and to protect individual privacy they have been added to the total figure only.

Table 7: Non-ongoing employees by classification as at 30 June 2026

	Man/Male			Woman/Female			Non-binary			Prefers not to answer			Uses a different term			Total
	Full-time	Part-time	Total	Full-time	Part-time	Total	Full-time	Part-time	Total	Full-time	Part-time	Total	Full-time	Part-time	Total	
SES Band 2	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	**0**
SES Band 1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	**0**
EL 2	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	**0**
EL 1	0	0	0	1	0	1	0	0	0	0	0	0	0	0	0	**1**
APS 6	0	0	0	1	0	1	0	0	0	0	0	0	0	0	0	**1**
APS 5	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	**0**
APS 4	0	0	0	1	0	1	0	0	0	0	0	0	0	0	0	**1**
APS 3	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	**0**
APS 2	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	**0**
APS 1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	**0**
Total	**0**	**0**	**0**	**3**	**0**	**3**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**3**

Table 8: Non-ongoing employees by classification as at 30 June 2025

	Man/Male			Woman/Female			Non-binary			Prefers not to answer			Uses a different term			Total
	Full-time	Part-time	Total	Full-time	Part-time	Total	Full-time	Part-time	Total	Full-time	Part-time	Total	Full-time	Part-time	Total	
SES Band 2	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	**0**
SES Band 1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	**0**
EL 2	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	**0**
EL 1	1	0	1	1	0	1	0	0	0	0	0	0	0	0	0	**2**
APS 6	1	0	1	2	0	2	0	0	0	0	0	0	0	0	0	**3**
APS 5	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	**0**
APS 4	1	0	1	1	0	1	0	0	0	0	0	0	0	0	0	**2**
APS 3	0	1	1	0	0	0	0	0	0	0	0	0	0	0	0	**1**
APS 2	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	**0**
APS 1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	**0**
Total	**3**	**1**	**4**	**4**	**0**	**4**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**8**

Table 9: Employees by full-time and part-time status as at 30 June 2026

	Ongoing			Non-ongoing			Total
	Full-time	Part-time	Total	Full-time	Part-time	Total	
SES Band 2	4	0	4	0	0	0	**4**
SES Band 1	13	0	13	0	0	0	**13**
EL 2	52	4	56	0	0	0	**56**
EL 1	124	31	155	1	0	1	**156**
APS 6	208	51	259	1	0	1	**260**
APS 5	284	70	354	0	0	0	**354**
APS 4	91	36	127	1	0	1	**128**
APS 3	48	28	76	0	0	0	**76**
APS 2	1	0	1	0	0	0	**1**
APS 1	0	0	0	0	0	0	**0**
Total	**825**	**220**	**1045**	**3**	**0**	**3**	**1048**

Table 10: Employees by full-time and part-time status as at 30 June 2025

	Ongoing			Non-ongoing			Total
	Full-time	Part-time	Total	Full-time	Part-time	Total	
SES Band 2	4	0	4	0	0	0	**4**
SES Band 1	15	0	15	0	0	0	**15**
EL 2	57	5	62	0	0	0	**62**
EL 1	126	38	164	2	0	2	**166**
APS 6	191	53	244	3	0	3	**247**
APS 5	283	66	349	0	0	0	**349**
APS 4	86	26	112	2	0	2	**114**
APS 3	79	24	103	0	1	1	**104**
APS 2	1	0	1	0	0	0	**1**
APS 1	0	0	0	0	0	0	**0**
Total	**842**	**212**	**1054**	**7**	**1**	**8**	**1062**

Table 11: Employment type by location as at 30 June 2026

	Ongoing	Non-ongoing	Total
NSW	261	1	**262**
Qld	186	0	**186**
SA	109	0	**109**
Tas	37	0	**37**
Vic	312	1	**313**
WA	76	0	**76**
ACT	63	1	**64**
NT	1	0	**1**
Total	**1045**	**3**	**1048**

Table 12: Employment type by location as at 30 June 2025

	Ongoing	Non-ongoing	Total
NSW	266	0	**266**
Qld	179	1	**180**
SA	117	2	**119**
Tas	36	0	**36**
Vic	316	2	**318**
WA	74	0	**74**
ACT	63	3	**66**
NT	3	0	**3**
Total	**1054**	**8**	**1062**

Table 13: Workplace diversity profile as at 30 June 2026

Self-disclosure category	Ongoing	Non-ongoing	Total
People with a disability	73	0	**73**
People from a culturally diverse background	218	1	**219**
People from an Aboriginal or Torres Strait Islander background	17	0	**17**
Total	**308**	**1**	**309**

Table 14: Workplace diversity profile as at 30 June 2025

Self-disclosure category	Ongoing	Non-ongoing	Total
People with a disability	58	0	**58**
People from a culturally diverse background	214	1	**215**
People from an Aboriginal or Torres Strait Islander background	13	0	**13**
Total	**285**	**1**	**286**

Workforce management

Our systems, capabilities, and ways of working support our people to deliver our objectives

Capability development

During 2025–26, the FWO continued to invest in workforce capability through a range of learning, development and professional growth initiatives. These initiatives support our employees to meet the current and future needs of the agency and contribute to the delivery of high-quality services and support organisational performance.

Key achievements during the year included:

- ongoing delivery of the tailored Certificate IV and Diploma of Government Investigations, supporting compliance with the Australian Government Investigations Standards 2022
- strengthening leadership and management capability through targeted development programs, SES initiatives, leadership resources and contextualised learning delivered in partnership with external learning providers
- building the capability and confidence of Senior Executives and employees in using artificial intelligence (AI) through targeted learning offerings, including practical sessions on AI for executives, and APS Academy and GovAI learning offerings.
- introducing a structured mentoring program, including collaboration with the Fair Work Commission, to support knowledge sharing, professional growth and workforce development
- expanding access to learning and development opportunities through study assistance, initiatives in emerging areas such as AI, continuing professional development (CPD) activities and an online learning platform offering flexible, self-paced learning
- progressing development of the FWO People Strategy and the design of a whole-of-agency Capability Framework to support a consistent, capability-led approach to workforce planning, development and organisational performance
- further embedding the APS Learning Evaluation Framework to strengthen the measurement of learning outcomes, participant experience and organisational impact.

These initiatives contributed to the agency's ability to attract, develop and retain a skilled workforce capable of delivering on its purpose and strategic objectives. By continuing to invest in workforce capability and fostering collaboration across the agency and with external partners, we are better placed to respond to emerging challenges, deliver on our purpose and strategic objectives.

Employee engagement

Our 2026 APS Employee Census results continue to demonstrate that the FWO is an engaged, high-performing, and purpose-driven organisation. We maintained an Employee Engagement Index score of 78%, above the APS average of 74%, while our Wellbeing Policies and Support Index of 79% placed the FWO in the top 10% of all agencies in the APS. Employees continue to report strong levels of pride in working at the FWO, with 89% recommending the agency as a good place to work and 93% believing strongly in its purpose and objectives.

We recognise that employee engagement is strengthened when employees feel safe, respected and supported at work. During 2025–26, we continued to invest in initiatives that promote wellbeing, psychosocial safety, and inclusion, complementing the work outlined in the Work health and safety section of this report. The FWO's wellbeing, inclusion and speak up results continue to compare favourably with the broader APS, reflecting our commitment to maintaining a workplace culture that enables employees to contribute ideas, collaborate and perform at their best.

Flexible work remains a key strength of our employee experience. Employees continue to report very high levels of confidence that requests for flexible work will be reasonably considered, and most employees

access flexible working arrangements, including working from home. These arrangements support employee wellbeing, workforce participation and productivity, while enabling the agency to attract and retain talented people across Australia.

Our investment in internal communication, consultation, and managing change is paying off. The Agency Consultative Forum (ACF) has developed into an effective staff representative body that proactively represents employee interests, supports two-way communication, and improves workplace decision-making. The ACF and the Community and Public Sector Union (CPSU) provide workforce feedback on FWO initiatives and developments and support constructive engagement on workplace matters. Interest-based approaches to consultation are also utilised, helping leaders and employee representatives better understand the underlying interests and identify solutions that meet the needs of all stakeholders. These efforts have contributed to strong consultation and communication outcomes, with the FWO significantly exceeding APS-wide results for internal communication, staff consultation and change communication.

Ethics and values

The APS Values, Code of Conduct and Employment Principles underpin our workplace culture and support high performance, strong leadership, integrity, respect and inclusion across the agency.

Information on the APS Values, Code of Conduct and Employment Principles is included in induction training for new employees, mandatory training for all staff and integrated into our performance management process.

The agency maintains procedures for managing suspected breaches of the APS Code of Conduct and procedures for receiving and handling public interest disclosures. Employees are required to complete conflict of interest declarations when participating in recruitment, procurement and other relevant decision-making activities.

Staff can access a range of guidance and resources on our intranet covering the APS Values and Code of Conduct, conflicts of interest, gifts and hospitality, and the prevention of inappropriate workplace behaviour, including discrimination, bullying and harassment.

Diversity and inclusion

In 2025–26, the agency strengthened its commitment to fostering a diverse, inclusive and culturally safe workplace through the delivery of strategic initiatives.

- **Introduction of active network member roles.** Active network member roles were introduced in most diversity networks whereby a number of employees from each diversity network are supported to develop events, programs and materials for their diversity network through dedicated hours of work. Feedback from diversity network members, Executive Champions and those in the roles has been positive, with active network members instrumental in new initiatives, furthering strategic outcomes and broadening individual capability.
- **Appointment of a Neurodiversity Executive Champion and establishment of a Neurodiversity Network.** The Neurodiversity Network was established to connect and share experience of neurodiversity, collaborate to improve outcomes for neurodivergent people in the agency and to champion neuro-inclusion.
- **Australian Workplace Equity Index (AWEI) Bronze Tier recognition.** Achieving AWEI Bronze Tier recognition reflects our progress in building and maintaining an inclusive workplace for LGBTQIA+ people.
- **Continuing participation in the Indigenous Apprentices Program.** In 2025–26 we welcomed another 3 First Nations employees to the agency.
- **Reaccreditation as a Best Practice Accredited Breastfeeding Friendly Workplace.** As a Best Practice Accredited Workplace, we've reached and continued to maintain high breastfeeding workplace standards by going above and beyond to support employees to balance work and family commitments.

These achievements form part of our broader strategy to cultivate a workforce that reflects the diversity of the Australian community and upholds the principles of equity, respect and inclusion.

Workplace Gender Equality Agency reporting

During 2025–26, the agency established its first workplace gender equality targets as part of our ongoing commitment to gender equality and workplace inclusion. With a mean gender pay gap of 1.9% in favour of men and a median gender pay gap of 0.1% in favour of women, the agency's gender pay gap outcomes compare favourably with other similar organisations.

While the agency's gender pay gap remains low, it is important to maintain progress and to continue to strive towards a 0% pay gap. This year, we set 3 gender equality targets: reducing the gender pay gap, undertaking a detailed analysis of the factors contributing to our pay gap, and increasing the number of managers employed on a part-time basis. This work will help identify evidence-based actions that support equitable career opportunities and maintain a workplace that supports flexibility and inclusion across the agency.

Disability reporting

Australia's Disability Strategy 2021–2031 (the Strategy) is the overarching framework for inclusive policies, programs and infrastructure that will support people with disability to participate in all areas of Australian life. The Strategy sets out where practical changes will be made to improve the lives of people with disability in Australia. It acts to ensure the principles underpinning the United Nations Convention on the Rights of Persons with Disabilities are incorporated into Australia's policies and programs that affect people with disability, their families and carers. All levels of government have committed to deliver more comprehensive and visible reporting under the Strategy.
A range of reports on progress of the Strategy's actions and outcome areas will be published and available on Australia's Disability Strategy Hub (**disabilitygateway.gov.au/ads**).

Disability reporting is included in the Australian Public Service Commission's State of the Service reports and the APS Statistical Bulletin. These reports are available on the APSC website (**apsc.gov.au**).

Remuneration and employment conditions

The FWO 2024–27 Enterprise Agreement (the Agreement) came into effect on 24 April 2024.

The Agreement covers all APS 1 to EL 2 employees and provides access to a range of leave, flexible working arrangements, allowances and other benefits. It also provides for an Agency Consultative Forum (see the Agreement section 433–434) that facilitates staff consultation on workplace and policy matters.

Information on employee entitlements, rights and obligations under the Agreement and associated policies is available to staff on the FWO intranet.

Table 15: Employment arrangements as at 30 June 2026

Employment arrangements	SES		Non-SES		Total	
	2026	2025	2026	2025	2026	2025
Enterprise Agreement	0	0	1031	1043	**1031**	**1043**
Common law contracts	17	19	0	0	**17**	**19**
Individual flexibility arrangement	0	0	11	10	**11**	**10**
Total	**17**	**19**	**1031**	**1043**	**1048**	**1062**

Note: Employees on an Individual Flexibility Arrangement are included in the Enterprise Agreement total so totals are not additive. Individual Flexibility Arrangements are enabled under clauses 10–15 of the FWO Enterprise Agreement 2024–2027.

Table 16: Salary ranges by classification level as at 30 June 2026

Classification	Minimum salary	Maximum salary
SES Band 2	$345,052	$397,118
SES Band 1	$275,768	$327,053
EL 2	$152,276	$208,159
EL 1	$132,137	$158,609
APS 6	$103,910	$119,453
APS 5	$95,980	$101,690
APS 4	$86,150	$93,445
APS 3	$77,427	$83,457
APS 2	$68,865	$75,367
APS 1	$60,777	$63,158

Performance pay

The FWO did not have arrangements for performance pay during the reporting period ended 30 June 2026.

Executive remuneration

During the reporting period ended 30 June 2026 the FWO had 5 executives who met the definition of key management personnel (KMP). Their names and length of terms as KMP are summarised below.

Staff acting in SES or other highly paid positions for a total period of less than 3 months are not included in the FWO executive remuneration disclosure.

Table 17: Name, position and length of term as KMP

Name	Position	Term as KMP
Anna Booth	Fair Work Ombudsman	Full term
Michael Campbell	Group Manager Operations	Full term
Rachel Volzke	Group Manager Legal and Policy/Chief Counsel	Full term
Mark Scully	Group Manager Corporate and Engagement/Chief Operating Officer	Full term
Michelle Carey	Group Manager Regulatory Transformation	Full Term

The remuneration and other benefits for the position of Fair Work Ombudsman are set by the Remuneration Tribunal. All other KMP are remunerated through common law contracts.

Table 18: KMP remuneration expenses

	2026
Expenses	**$'000**
Short-term employee benefits	1,933
Post-employment benefits	281
Other long-term employee benefits	51
Termination benefits	-
Total key management personnel remuneration expenses	**2,265**

In accordance with the Public Services and Accountability Rule 2014, this information is further disaggregated as shown in Table 19.

Table 19: Information about remuneration for KMP

		Short-term benefits $'000			Post-employment benefits $'000	Other long-term benefits $'000			
Name	Position title	Base salary[1]	Bonuses	Other benefits and allowances	Superannuation contributions	Long service leave	Other long-term benefits	Termination benefits $'000	Total remuneration $'000
Anna Booth	Fair Work Ombudsman	491	–	–	31	13	–	–	535
Michael Campbell	Group Manager	351	–	–	74	10	–	–	435
Rachel Volzke	Group Manager	399	–	–	68	10	–	–	477
Mark Scully	Group Manager	347	–	–	55	9	–	–	411
Michelle Carey	Group Manager	345	–	–	53	9	–	–	407
Total		**1,933**	**–**	**–**	**281**	**51**	**–**	**–**	**2,265**

1. Base salary includes annual leave accruals and higher duties payments during the year.

During the reporting period ending on 30 June 2026, the agency had 15 other senior executives who did not meet the definition of a KMP.

The remuneration of these senior executives is disclosed in remuneration bands in Table 20. Remuneration within each band is calculated as an average.

The average amounts for the relevant category are based on the number of senior executives within the relevant band, not the full-time equivalent.

Table 20: Information about remuneration for senior executives (non-KMP)

		Short-term benefits $'000			Post-employment benefits $'000	Other long-term benefits $'000		Termination benefits $'000	Total remuneration $'000
Total remuneration bands	Number of senior executives	Average base salary[1]	Average bonuses	Average other benefits and allowances	Average superannuation contributions	Average long service leave	Average other long-term benefits	Average termination benefits	Average total remuneration
$220,001 - $245,000	1	196	–	–	33	4	–	–	233
$295,001 – $320,000	4	255	–	–	45	6	–	–	306
$320,001 – $345,000	5	278	–	–	46	8	–	–	332
$345,001 – $370,000	3	299	–	–	54	7	–	–	360
$370,001 – $395,000	1	304	–	–	60	8	–	–	372
$395,001 - $420,000	1	333	–	–	57	8	–	–	398

1. Base salary includes annual leave accruals and higher duties payments during the year.

Work health and safety

We continued to focus on supporting the psychological and physical wellbeing of our workers through prevention, early intervention, rehabilitation and effective injury management. We also regularly reviewed our work health and safety policies, guidance materials and fact sheets to ensure they remained current, effective and fit for purpose.

Risk management and assessment

We undertook hazard and risk identification, assessment, removal or mitigation, management and evaluation. Key initiatives included approval of the Psychosocial Risk Assessment and development of a Voluntary Redundancy Risk Assessment and a Code of Conduct Risk Assessment template.

Training and information

We continued to provide WHS training and information, including targeted communications, to assist managers and staff meet their WHS obligations. This included mandatory online training on workplace sexual harassment for all staff and workers, as well as making additional training available for frontline staff and managers on vicarious trauma and compassion fatigue.

Staff consultation and engagement

The Health and Safety Committee (HSC) is the primary forum for consultation with workers and met 4 times in 2025–26. The HSC advise and consult with the broader agency on WHS policy-related matters, review trends in claim and incident data, and contribute to workplace health and safety initiatives.

As part of our positive duty obligation and commitment to fostering a speak up culture in the agency, we implemented 'Speak Safely', a reporting portal that enables staff to report unacceptable behaviour, including anonymously. Reports can be made by those directly affected, bystanders, or individuals who have been informed of concerning behaviour.

We also conducted a voluntary and anonymous staff survey on workplace harassment. The results will provide an important baseline for assessing the effectiveness of our prevention and response measures.

To support mental health and wellbeing, we recognised and promoted initiatives such as R U OK? Day and Movember.

Wellbeing and mental health support services

Employees continued to have access to confidential support through our Employee Assistance Program and the Before Blue Program. These services provide assistance with a range of personal and work-related challenges, including stress, burnout, relationships, and health concerns. An annual influenza vaccination program was also provided.

Supporting a safe workplace

We promote and support a safe workplace through ergonomic assessments, flexible work options, early intervention in rehabilitation cases, and provision of equipment to support safe workplaces at home and in the office.

The HSC advises the FWO and its Corporate Board on WHS, and reviews and provides recommendations for WHS matters, including the implementation of relevant legislation and policy, preventative initiatives and reporting on WHS incidents.

Work health and safety incident reporting

Under section 38 of the *Work Health and Safety Act 2001* (WHS Act), we are required to notify Comcare of any deaths, serious injury or illness, or dangerous incidents arising out of work.

There were no notifiable incidents (related to serious injury or illness) reported to Comcare in 2025–26.

Under Schedule 2, Part 3 of the WHS Act, we are required to report on any investigations undertaken by Comcare or any notices we received under Part 10 of the WHS Act. No investigations were conducted and no notices were received under Part 10 of the WHS Act during 2025–26.

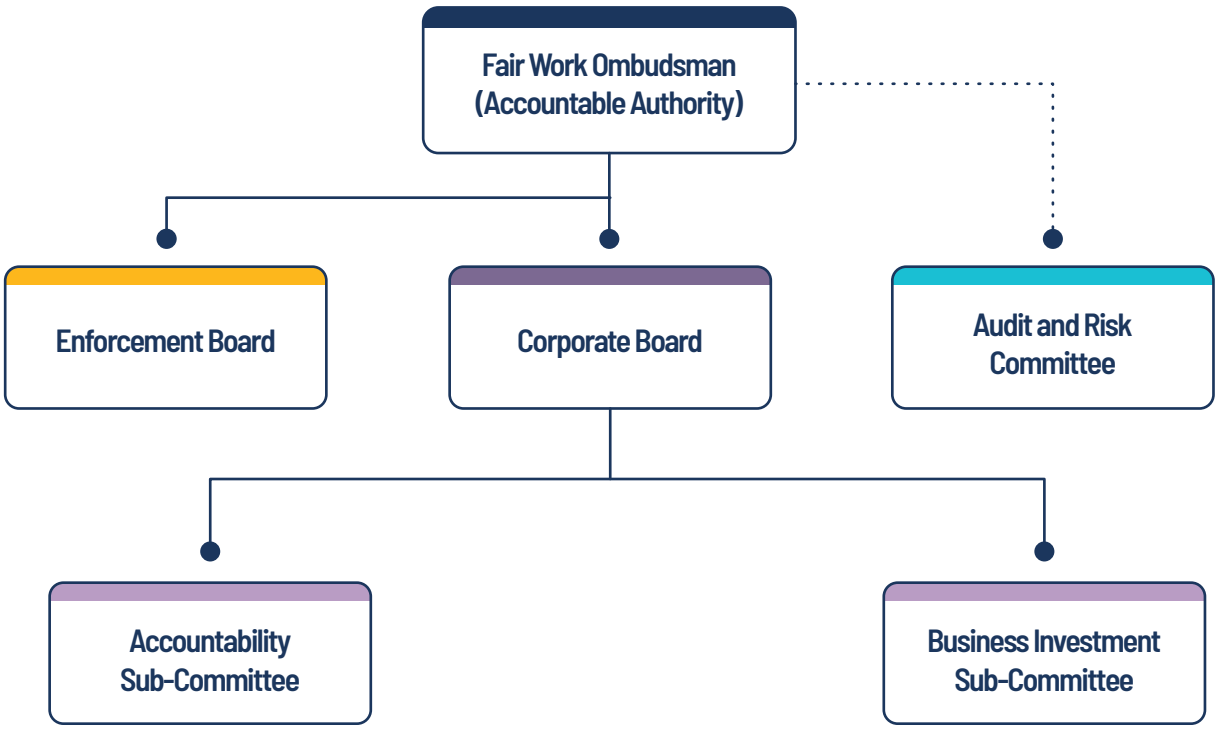
APS Strategic Commissioning Framework

The FWO operates in line with the APS Strategic Commissioning Framework. Core work is done in-house in most cases, and any outsourcing of core work is minimal and aligns with the limited circumstances permitted under the APS Strategic Commissioning Framework.

Corporate governance

We are committed to maintaining strong governance and proactive risk management practices that support the achievement of our purpose and the effective delivery of our work. Our governance arrangements provide clear accountability, informed decision-making and oversight of key organisational priorities. A range of boards and sub-committees contribute to this framework by providing leadership, monitoring performance and risk, and supporting continuous improvement across the organisation. We remain committed to continually reviewing our governance arrangements to ensure they remain effective, responsive and aligned with our organisational priorities.

Figure 13: FWO governance structure as at 30 June 2026



Corporate Board

The Corporate Board is the key advisory body for the Accountable Authority in discharging their duties, responsibilities and accountabilities under the PGPA Act and other Commonwealth legislation, and government policies. The Corporate Board is chaired by the Accountable Authority/Fair Work Ombudsman, Anna Booth, and consisted of SES Band 2 Officers from each group.

The Corporate Board is also supported by 2 standing sub-committees:

- **Accountability Sub-Committee** has oversight of and makes recommendations for approval of strategic decisions with respect to corporate matters, compliance with the PGPA Act and frameworks, and government policies including regulator performance, security, data governance and privacy.
- **Business Investment Sub-Committee** has oversight of, and makes recommendations regarding information and communications technology-related matters and projects. The Sub-committee also oversees the ethical and responsible use of AI, through its role as the AI Steering Committee, providing oversight of FWO's AI governance.

Enforcement Board

The Enforcement Board is the agency's key advisory body to support the risk-based and proportionate use of the Accountable Authority's statutory enforcement powers and functions under the FW Act.

The Board informs the FWO's priorities, the publicly available Compliance and Enforcement Policy, and the agency's annual compliance and enforcement work program, including its establishment and monitoring. It also helps ensure research, education and related activities align with these priorities.

The Enforcement Board is chaired by the Group Manager of Operations and includes the Accountable Authority as a member. Standing attendees include the Group Manager of Legal and Policy and all operational and legal enforcement Executive Directors.

Audit and Risk Committee

The Audit and Risk Committee provides independent advice and assurance to the Fair Work Ombudsman on the agency's financial and performance reporting responsibilities, risk oversight, system of internal control, fraud and corruption control arrangements, and internal and external audit activities. During 2025–26, the Committee met 5 times to support the agency's governance and accountability framework.

The Audit and Risk Committee's Charter is available on our website (**fairwork.gov.au/about-us/accountability/our-policies**).

Table 21: Membership details of the Audit and Risk Committee

Member name	Qualifications, knowledge, skills or experience (include formal and informal as relevant)	Number of meetings attended	Total number of meetings held	Total annual remuneration (GST inc.)	Additional information (including role on Committee)
Ms Jennifer Taylor PSM	Formal management qualifications. Graduate Australian Institute of Company Directors. Substantial experience as CEO of the Statutory Agency Comcare and various Deputy Secretary positions with Australian Government entities. Experience in public sector operating environment including sound understanding of all legislative, regulatory and policy requirements and financial statements review. Extensive committee experience as chair or member. Experience as Chair of the Ethics Committee, Australian Institute of Health and Welfare.	5	5	$23,224.21**	Independent Member and Chair
Ms Bronwyn Davies	Formal economics and accounting qualifications. Extensive experience as Chief Auditor within the aviation safety industry and more than 17 years' experience in auditing and management across the finance and transport industries. Acted as a member on several previous Audit and Risk Committees, including experience as Chair of Australian Building and Construction Commission and Southern Downs Regional Council.	5	5	$12,605.87**	Independent Member
Mr Tim Youngberry	Bachelor of Business (Accounting). Fellow CPA Australia and Chartered Accountants Australia & New Zealand. Substantial experience as a former SES officer and/or CFO in multiple large Commonwealth entities, including Department of Finance and Department of Social Services. Extensive experience as chair or member of Commonwealth entities' and non-government entities' audit committees.	5	5	$16,500.00	Independent Member
Ms Victoria Press	Formal management and internal auditing qualifications. Extensive audit, risk and governance experience across multiple Commonwealth entities. Commonwealth board and committee experience. In-depth knowledge of public sector assurance expectations.	1	5	$0	Independent Member Director, Governance, Assurance and Attorney Regulation, IP Australia Ms Press commenced in June 2026.
Mr Jeff Lamond PSM	Formal economics and accounting qualifications, graduate qualification in legal studies. 34 years public service employment (including at SES level) and as a statutory office holder (APS Merit Protection Commissioner). Substantial committee experience for a range of Government entities.	1	5	$3,960.00	Mr Lamond ceased the role of Chair and Independent Member in July 2025.

**Includes expenditure associated with meetings and travel.

Business planning

The Corporate Plan serves as the primary planning document for the FWO, outlining our objectives and strategies designed to achieve our purpose over at least 4 reporting periods. The Corporate Plan explains functions, priorities, key activities and performance measures. The Corporate Plan is submitted to the Department of Finance and the portfolio minister annually and is made available to external stakeholders via our website.

During 2025–26, the FWO's Corporate Plan 2025–29 provided the foundation for our planning activities. Our internal branch plans align with the Corporate Plan to outline the work each branch will perform, supporting the agency in meeting its vision, purpose and functions. Branch plans are updated annually to reflect changes in our priorities and/or operating environment. Performance against these plans is monitored by senior management.

Business continuity

Our Business Continuity Management (BCM) Framework includes plans and procedures to support the agency to effectively manage significant disruptions or an adverse incident. The BCM Framework defines the roles and responsibilities of key personnel and provides a coordinated approach to ensure critical or core business activities can continue or be recovered in a timely manner, ensuring we uphold our regulatory obligations and minimise operational disruptions impacting our customers or our employees.

Risk and countering fraud

Our Risk Management Framework is a structured and systematic approach designed to identify, assess, and manage potential risks that could impact the agency's ability to achieve its objectives. The framework establishes the principles, processes, and accountability mechanisms that ensure risk areas are recognised and addressed. The Corporate Board oversees the strategic risk register, which identifies our strategic risks, including key causes, consequences and controls. We are continuing to mature our approach to risk management and working with our senior leadership team to strengthen our Risk Management Framework. Following internal consultation, we developed a risk-based Internal Audit Plan designed to identify weaknesses across our control environment. The Audit and Risk Committee monitors the Internal Audit Plan and identified recommendations.

Fraud and corruption control and prevention

Our Fraud and Corruption Control Plan and risk assessment reflects our commitment to managing and responding to fraud and corruption risks. It enables us to prevent, detect and correct controls to address identified risks and to implement treatments to further mitigate these risks. Designated risk and control owners monitor and report on the implementation and effectiveness of controls. Our Accountability Sub-Committee provides assurance that the agency's fraud and corruption controls are effective in overseeing our fraud and corruption risks, and the Audit and Risk Committee provides assurance to the Accountable Authority regarding the adequacy of the policies, procedures, risk assessments and controls related to fraud and corruption.

During 2025–26, an internal audit of fraud and corruption control testing was undertaken to assess the effectiveness of key controls and provide assurance over the agency's prevention, detection and response arrangements. Findings from the internal audit will support ongoing improvements to the fraud and corruption control framework and strengthen the agency's commitment to integrity, accountability and sound public administration.

External scrutiny

The FWO and its activities were subject to the following external scrutiny during the reporting period.

Feedback, service complaints and requests for review

We value feedback from our customers about their experience with us and recognise it as an important source of insight into how well we are meeting their needs. In addition to actively seeking feedback and gathering insights through our performance measures surveys, we encourage customers to share their views through our online feedback form. This helps us better understand customer experiences, identify opportunities for improvement and continue strengthening the quality and accessibility of our services.

In the 2025–26 financial year we received a total of 795 instances of feedback, service complaints and requests for review. This included 112 instances from customers highlighting their positive experience with the FWO.

Table 22: FWO constructive feedback, service complaints and requests for review received and finalised

	2025–26	2024–25
Received	683	763
Finalised	650	747

Reports to the Commonwealth Ombudsman

In 2025–26, the FWO was subject to one formal Commonwealth Ombudsman investigation, with no adverse findings.

The Commonwealth Ombudsman, under section 712F (6) of the FW Act, presents a quarterly report to parliament about examinations conducted by the FWO.

These reports are accessible on the Commonwealth Ombudsman website (**ombudsman.gov.au/publications-resources**).

Freedom of information

Information Publication Scheme

The FWO is subject to the *Freedom of Information Act 1982* (FOI Act) and is required to publish information under the Information Publication Scheme (IPS).

The FWO's Information Publication Scheme statement, prepared in accordance with Part II of the FOI Act, is available on the Information Publication Scheme webpage (**fairwork.gov.au/about-us/accountability/accessing-our-information/information-publication-scheme**).

FOI requests

During 2025–26, the FWO received 78 requests for access to documents under the FOI Act, compared with 82 requests received in 2024–25.

The FOI Act requires the FWO to maintain a disclosure log on its website. The disclosure log contains information released in response to FOI requests and is available on the Accessing our Information webpage (**fairwork.gov.au/about-us/accountability/accessing-our-information**).

Privacy

The FWO maintains a Privacy Management Plan and continues to review and enhance its privacy program to ensure it remains responsive to evolving community expectations, legislative requirements, and emerging cyber security risks.

The Privacy (Australian Government Agencies – Governance) APP Code 2017 requires Australian Government agencies, including the FWO, to undertake a Privacy Impact Assessment (PIA) for all projects assessed as having a high privacy risk.

During 2025–26, the FWO completed 6 PIAs for new projects and business processes, compared with 3 PIAs completed during 2024–25.

There were no decisions by the Australian Privacy Commissioner during the reporting period that involved the FWO, or that had, or may have had, a significant impact on the FWO's operations.

Judicial decisions or administrative reviews

There were no judicial decisions or decisions of administrative tribunals during the year that had, or may have, a significant impact on the FWO's operations.

Property and environment management

We are committed to environmental sustainability and continue to implement strategies that support the responsible management of our office accommodation and operations.

Environmental considerations are incorporated into property decisions to ensure new lease commitments represent value for money while supporting the Australian Government's emissions reduction objectives and the agency's Emissions Reduction Plan. We are committed to occupying energy-efficient workplaces and using resources sustainably by procuring efficient equipment and appliances, using recycled products where appropriate, and participating in recycling and waste reduction programs.

During the year, the agency promoted environmental awareness initiatives led by our Green Team, which comprises employees from across the organisation and supports sustainable workplace practices.

In partnership with our property services provider, Jones Lang LaSalle (JLL), we work closely with building owners and managers to identify and implement initiatives that reduce energy and water consumption, minimise waste generation, and support reductions in greenhouse gas emissions across our property portfolio.

Emissions reporting

The Greenhouse Gas Emissions Inventory and Electricity Greenhouse Gas Emissions tables present greenhouse gas emissions over the 2025–26 financial year. The greenhouse gas emissions reported are calculated as Carbon Dioxide Equivalents (CO2-e) and in line with the 2025–26 Emissions Reporting Framework (**finance.gov.au/government/climate-action-government-operations/commonwealth-emission-reporting/emissions-reporting-framework**).

Not all data sources were available at the time of the report and amendments to data may be required in future reports.

Table 23: 2025–26 greenhouse gas emissions inventory (location-based method)

Emission Source	Scope 1 t CO_2-e	Scope 2 t CO_2-e	Scope 3 t CO_2-e	Total t CO_2-e
Electricity (location-based approach)	n/a	409.74	40.87	450.61
Natural gas	0.00	n/a	0.00	0.00
Solid waste	0.00	n/a	1.53	1.53
Refrigerants*	0.00	n/a	n/a	0.00
Fleet and other vehicles	4.55	n/a	1.16	5.71
Domestic commercial flights	n/a	n/a	158.19	158.19
Domestic hire car	n/a	n/a	0.00	0.00
Domestic travel accommodation	n/a	n/a	53.10	53.10
Other energy	0.00	n/a	0.00	0.00
t CO2-e	**4.55**	**409.74**	**254.85**	**669.14**

Note: The table above presents emissions related to electricity usage using the location-based accounting method. CO2-e = Carbon Dioxide Equivalent.

* Reporting on refrigerants is being phased in over time as emissions reporting matures and may be an optional source in 2025–26 emissions reporting. See the Emissions Reporting Framework for more details.

Table 24: 2025–26 electricity greenhouse gas emissions

Emission Source	Scope 2 t CO_2-e	Scope 3 t CO_2-e	Total t CO2-e	Electricity kWh
Location-based electricity emissions	546.09	59.65	605.74	864,117.24
Market-based electricity emissions	553.98	75.23	629.21	683,925.57
Total renewable electricity[1]	**n/a**	**n/a**	**n/a**	**180,191.67**
Renewable power percentage[2]	n/a	n/a	n/a	157,226.13
Jurisdictional renewable power percentage[3]	n/a	n/a	n/a	22,965.54
GreenPower	n/a	n/a	n/a	–
Large-scale generation certificates	n/a	n/a	n/a	–

Note: The table above presents emissions related to electricity usage using both the location-based and the market-based accounting methods. CO2-e = Carbon Dioxide Equivalent. Electricity usage is measured in kilowatt hours (kWh).

1. Excludes behind the meter solar other than generation used to create large scale generation certificates (LGCs).
2. The renewable power percentage (RPP) accounts for the portion of electricity used, from the grid, that falls within the Renewable Energy Target (RET).
3. The Australian Capital Territory is currently the only state with a jurisdictional renewable power percentage (JRPP).

A portion of electricity and solid waste emissions from FWO operations are included in the emissions reporting of the Department of Employment and Workplace Relations (DEWR), the Department of Social Services, and Services Australia, where there is office co-location.

FWO's electricity and solid waste emissions include some emissions from the operations of DEWR and the Australian Skills Quality Authority (ASQA).

Not all solid waste data was available at the time of the report and amendments to data may be required in future reports.

Emissions from hire cars for 2025–26 are incomplete due to a lack of robust data. The quality of data is expected to improve over time as emissions reporting matures.

Commonwealth Climate Disclosure Requirements

[See: Commonwealth Climate Disclosure Requirements | Department of Finance (**finance.gov.au/government/climate-action-government-operations/commonwealth-climate-disclosure-requirements**)]

The FWO is a Tranche 3 entity and will begin reporting under the Commonwealth Climate Disclosure Requirements in the 2026–27 reporting period, using the Year 1 Simplified Requirements.

Financial management

Performance assessment against the Commonwealth Procurement Rules

Our procurement of goods and services, including consultancy services, is undertaken in accordance with the Commonwealth Procurement Framework. This ensures compliance with the Commonwealth Procurement Rules (CPRs), relevant Procurement Connected Policies (PCPs), and the Fair Work Ombudsman's Accountable Authority Instructions. The CPRs and PCPs apply to all procurement activities and are supported by the FWO Procurement Guide and associated procurement templates. Details of all reportable procurement contracts are published on AusTender (**tenders.gov.au**).

Purchase-provider arrangements

In 2025–26, the FWO continued to purchase Information and Communications Technology services and other administrative functions on a fee-for-service basis under a memorandum of understanding (MOU) with its portfolio agency, DEWR. The management of enterprise resource planning services (such as the accounts payable function) are provided under a MOU with the Service Delivery Office within the Department of Finance. The FWO also undertakes purchase-provider arrangements under MOUs with the Fair Work Commission, Services Australia, Department of Defence, and Department of Home Affairs. Expenditure on these government shared services is detailed as part of FWO's supplier expenditure within our financial statements and is not included as part of FWO's reportable contract expenditure detailed below.

Procurement initiatives to support small and medium businesses

The FWO supports small business participation in the Commonwealth Government procurement market. In 2025–26, non-corporate Commonwealth entities were required to source at least 25% of procurement expenditure up to $1 billion from small and medium enterprises (SMEs), and award at least 40% of contracts valued up to $20 million to SMEs.

Statistics on SME and small enterprise participation in Commonwealth procurement are available on the Department of Finance website (**finance.gov.au/government/procurement/statistics-australian-government-procurement-contracts**).

The FWO supports and encourages fair engagement with SMEs by:

- including SMEs in sourcing strategies through panel arrangements (including coordinated procurement panels and cooperative arrangements), and limited tender opportunities; and
- using the Commonwealth Contracting Suite for procurements valued at less than $1 million, reducing the administrative burden on SMEs when contracting with the Commonwealth.

Procurement to support Indigenous enterprises

The FWO's procurement guidance and supporting procurement templates incorporate requirements to comply with the Australian Government's Indigenous Procurement Policy (IPP).

In 2025–26, the FWO awarded 4 new contracts directly to Indigenous businesses, and 9 ongoing contracts were active during the period through subcontracting arrangements, with a total value of $290,354 (GST inclusive).

Reportable consultancy contracts

During 2025–26, 9 new reportable consultancy contracts were entered into involving total actual expenditure of $1,817,483 (GST inclusive). In addition, 4 ongoing reportable consultancy contracts were active during the period, involving total actual expenditure of $167,431 (GST inclusive)

Annual reports contain information about actual expenditure on reportable consultancy contracts. Information on the value of reportable consultancy contracts is available on the AusTender website.

Table 25: Expenditure on reportable consultancy contracts (2025–26)

	Number	Expenditure $'000 (GST inc.)
New contracts entered into during the reporting period	9	1,817
Ongoing contracts entered into during a previous reporting period	4	167
Total	**13**	**1,985**

Table 26: Organisations receiving a share of reportable consultancy contract expenditure (2025–26)

Name of Organisation	Organisation ABN	Expenditure $'000 (GST inc.)
Reason Group Pty Ltd	34 128 711 348	1,587
Protiviti	27 108 473 909	95
Workplace Research Associates	11 083 481 298	68
Australian Government Actuary	92 802 414 793	64
Ipsos Public Affairs Pty Ltd	52 070 101 352	57

Reportable non-consultancy contracts

During 2025–26, 142 new reportable non-consultancy contracts were entered into involving total actual expenditure of $9,464,323 (GST inclusive).

In addition, 237 ongoing reportable non-consultancy contracts were active during the period, involving total annual expenditure of $24,743,043.73 (GST inclusive).

Annual reports contain information about actual expenditure on reportable non-consultancy contracts. Information on the value of reportable non-consultancy contracts is available on the AusTender website.

Table 27: Expenditure on reportable non-consultancy contracts (2025–26)

Reportable non-consultancy contract	Number	Expenditure $'000 (GST inc.)
New contracts entered into during the reporting period	142	9,464
Ongoing contracts entered into during a previous reporting period	237	24,743
Total	**379**	**34,207**

Table 28: Organisations receiving a share of reportable non-consultancy contract expenditure

Name of Organisation	Organisation ABN	Expenditure $'000 (GST inc.)
Jones Lang LaSalle (ACT) Pty Ltd	69 008 585 260	10,192
Larrison Pty Ltd	93 658 317 607	2,428
Telstra Limited	64 086 174 781	1,363
AMA Projects Pty Ltd	52 141 420 680	1,311
Clayton Utz Lawyers - Melbourne	35 740 217 343	937

Exempt contracts

There were no requests for exemption or exemptions given from publishing a contract to AusTender.

Australian National Audit Office clauses

During 2025–26 all new contracts valued at or over $100,000 (GST inclusive) included provisions for the Auditor-General to access the contractor's premises.

Advertising

In 2025–26, the FWO conducted 9 advertising campaigns. Total campaign expenditure for the reporting period was $455,358 (GST inclusive).

Consistent with section 311A of the *Commonwealth Electoral Act 1918*, amounts paid to organisations totalling less than $17,300 (GST inclusive) are not included.

Information on Australian Government advertising campaigns is available on the Department of Finance website. Campaign advertising reports provide details of campaigns with expenditure greater than $250,000 (GST exclusive).

The advertising campaigns undertaken during 2025–26 were:

- Always On (promoting legislative changes and the Annual Wage Review)
- Din Tai Fung case study
- Disability Support Services Inquiry
- Culturally and linguistically diverse fast food, restaurants and cafés small businesses
- Know Your Bare Minimums
- Mythbusting
- Pay and Conditions Tool and Record My Hours app
- Small business resources
- Young workers

The FWO also continued its brand awareness benchmark survey during 2025–26. The total market research expenditure for this period was $56,705. No other market research was conducted.



Part 4

Financial statements

Independent auditor's report

Statement by the Accountable Authority and Chief Financial Officer

Primary financial statements and notes

Australian National Audit Office

INDEPENDENT AUDITOR'S REPORT

To the Minister for Employment and Workplace Relations

Opinion

In my opinion, the financial statements of the Office of the Fair Work Ombudsman (the Entity) for the year ended 30 June 2026:

(a) comply with Australian Accounting Standards – Simplified Disclosures and the *Public Governance, Performance and Accountability (Financial Reporting) Rule 2015*; and

(b) present fairly the financial position of the Entity as at 30 June 2026 and its financial performance and cash flows for the year then ended.

The financial statements of the Entity, which I have audited, comprise the following as at 30 June 2026 and for the year then ended:

- Statement by the accountable authority and Chief Financial Officer;
- Statement of Comprehensive Income;
- Statement of Financial Position;
- Statement of Changes in Equity;
- Cash Flow Statement;
- Administered Schedule of Comprehensive Income;
- Administered Schedule of Assets and Liabilities;
- Administered Reconciliation Schedule;
- Administered Cash Flow Statement; and
- Notes to the financial statements, comprising material accounting policy information and other explanatory information.

Basis for opinion

I conducted my audit in accordance with the Australian National Audit Office Auditing Standards, which incorporate the Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Entity in accordance with the relevant ethical requirements for financial statement audits conducted by the Auditor-General and their delegates. These include the relevant independence requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) to the extent that they are not in conflict with the *Auditor-General Act 1997*. I have also fulfilled my other responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Accountable Authority's responsibility for the financial statements

As the Accountable Authority of the Entity, the Fair Work Ombudsman is responsible under the *Public Governance, Performance and Accountability Act 2013* (the Act) for the preparation and fair presentation of annual financial statements that comply with Australian Accounting Standards – Simplified Disclosures and the rules made under the Act. The Fair Work Ombudsman is also responsible for such internal control as the Fair Work Ombudsman determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Fair Work Ombudsman is responsible for assessing the ability of the Entity to continue as a going concern, taking into account whether the Entity's operations will cease as a result

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of an administrative restructure or for any other reason. The Fair Work Ombudsman is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless the assessment indicates that it is not appropriate.

Auditor's responsibilities for the audit of the financial statements

My objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian National Audit Office Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with the Australian National Audit Office Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Accountable Authority;
- conclude on the appropriateness of the Accountable Authority's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern; and
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the Accountable Authority regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

Australian National Audit Office



Naveed Nisar
Audit Principal
Delegate of the Auditor-General

Canberra

25 September 2026

Statement by the Accountable Authority and Chief Financial Officer

In our opinion, the attached financial statements for the year ended 30 June 2026 comply with subsection 42(2) of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act), and are based on properly maintained financial records as per subsection 41(2) of the PGPA Act.

In our opinion, at the date of this statement, there are reasonable grounds to believe that the Office of the Fair Work Ombudsman will be able to pay its debts as and when they fall due.



Anna Booth
Accountable Authority

25 September 2026



Rico Zhang
Chief Financial Officer

25 September 2026

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Statement of Comprehensive Income

for the period ended 30 June 2026

	Notes	2026 $'000	2025 $'000	Original Budget[1] $'000
NET COST OF SERVICES				
Expenses				
Employee benefits	1.1A	**138,331**	123,277	124,505
Suppliers	1.1B	**36,465**	37,950	46,117
Grants		**–**	1,688	1,800
Depreciation and amortisation	3.2A	**12,402**	21,372	16,122
Finance costs		**379**	521	604
Write-down and impairment of other assets	3.2A	**363**	2,282	–
Total expenses		**187,940**	**187,090**	**189,148**
Own-source income				
Rental income		**219**	471	450
Other	1.2A	**138**	244	250
Total own-source revenue		**357**	**715**	**700**
Total own-source income		**357**	**715**	**700**
Net cost of services		**(187,583)**	**(186,375)**	**(188,448)**
Revenue from Government	1.2B	**179,593**	**177,039**	**181,916**
Deficit attributable to the Australian Government		**(7,990)**	**(9,336)**	**(6,532)**
OTHER COMPREHENSIVE INCOME				
Items not subject to subsequent reclassification to net cost of services				
Changes in asset revaluation reserve		**–**	–	–
Total other comprehensive income		**–**	–	–
Total comprehensive loss		**(7,990)**	**(9,336)**	**(6,532)**

The above statement should be read in conjunction with the accompanying notes.

1. The FWO's original budget presented in the financial statements reflects the figures presented in the 2025–26 Portfolio Budget Statements (PBS). The budgeted financial statements have not been audited.

Statement of Financial Position
as at 30 June 2026

	Notes	2026 $'000	2025 $'000	Original Budget $'000
ASSETS				
Financial assets				
Cash and cash equivalents	3.1A	**1,931**	1,161	671
Trade and other receivables	3.1B	**124,755**	129,221	114,625
Total financial assets		**126,686**	**130,382**	**115,296**
Non-financial assets				
Buildings[1]	3.2A	**8,938**	14,543	7,702
Leasehold improvements	3.2A	**3,908**	3,777	7,563
Plant and equipment	3.2A	**1,929**	2,498	1,950
Computer software	3.2A	**16,689**	15,858	29,439
Prepayments		**2,335**	3,825	2,440
Total non-financial assets		**33,799**	**40,501**	**49,094**
Total assets		**160,485**	**170,883**	**164,390**
LIABILITIES				
Payables				
Suppliers	3.3A	**6,087**	6,906	8,114
Other payables	3.3B	**5,196**	3,919	3,294
Total payables		**11,283**	**10,825**	**11,408**
Interest bearing liabilities				
Leases	3.4A	**10,365**	16,342	9,380
Total interest bearing liabilities		**10,365**	**16,342**	**9,380**
Provisions				
Employee provisions	6.1A	**34,365**	**33,029**	**29,832**
Total provisions		**34,365**	**33,029**	**29,832**
Total liabilities		**56,013**	**60,196**	**50,620**
Net assets		**104,472**	**110,687**	**113,770**
EQUITY				
Contributed equity		**200,104**	198,329	205,523
Reserves		**5,968**	5,968	5,968
Retained surplus/(Accumulated deficit)		**(101,600)**	(93,610)	(97,721)
Total equity		**104,472**	**110,687**	**113,770**

The above statement should be read in conjunction with the accompanying notes.

1. The buildings asset class is made up of Right-of-Use (ROU) leased assets.

Statement of Changes in Equity
for the period ended 30 June 2026

	Notes	2026 $'000	2025 $'000	Original Budget $'000
CONTRIBUTED EQUITY				
Opening balance				
Balance carried forward from previous period		**198,329**	191,624	198,329
Transactions with owners				
Distributions to owners				
Return of Appropriation		**(5,419)**	–	–
Contributions by owners				
Departmental capital budget	5.1A	**7,194**	6,705	7,194
Total transactions with owners		**1,775**	**6,705**	**7,194**
Closing balance as at 30 June		**200,104**	**198,329**	**205,523**
ASSET REVALUATION RESERVE				
Opening balance				
Balance carried forward from previous period		**5,968**	5,968	5,968
Closing balance as at 30 June		**5,968**	**5,968**	**5,968**
RETAINED EARNINGS				
Opening balance				
Balance carried forward from previous period		**(93,610)**	(84,274)	(91,189)
Comprehensive income				
Deficit for the period		**(7,990)**	(9,336)	(6,532)
Total comprehensive income		**(7,990)**	**(9,336)**	**(6,532)**
Closing balance as at 30 June		**(101,600)**	**(93,610)**	**(97,721)**
Total Equity		**104,472**	**110,687**	**113,770**

The above statement should be read in conjunction with the accompanying notes.

Accounting policy

Equity injections – Amounts appropriated which are designated as 'equity injections' for a year (less any formal reductions) and Departmental Capital Budgets (DCBs) are recognised directly in contributed equity in that year.

Cash Flow Statement

for the period ended 30 June 2026

	Notes	2026 $'000	2025 $'000	Original Budget $'000
OPERATING ACTIVITIES				
Cash received				
Appropriations		**184,227**	174,791	181,850
Sale of goods and rendering of services		**217**	475	580
Net GST received		**3,321**	3,591	4,195
Other		**1,250**	1,422	150
Total cash received		**189,015**	**180,279**	**186,775**
Cash used				
Employees		**136,387**	120,473	124,439
Suppliers		**39,181**	44,163	50,342
Grants		**–**	1,688	–
Interest payments on lease liabilities		**379**	521	604
Section 74 receipts transferred to OPA		**4,788**	5,487	1,800
Total cash used		**180,735**	**172,332**	**177,185**
Net cash from operating activities		**8,280**	**7,947**	**9,590**
INVESTING ACTIVITIES				
Cash used				
Purchase of non-financial assets		**5,985**	8,018	7,194
Total cash used		**5,985**	**8,018**	**7,194**
Net cash used by investing activities		**(5,985)**	**(8,018)**	**(7,194)**
FINANCING ACTIVITIES				
Cash received				
Contributed equity		**6,020**	8,011	7,194
Total cash received		**6,020**	**8,011**	**7,194**
Cash used				
Principal payments of lease liabilities		**7,545**	7,450	9,590
Total cash used		**7,545**	**7,450**	**9,590**
Net cash from/(used by) financing activities		**(1,525)**	**561**	**(2,396)**
Net increase/(decrease) in cash held		**770**	**490**	**–**
Cash and cash equivalents at the beginning of the reporting period		**1,161**	671	671
Cash and cash equivalents at the end of the reporting period	3.1A	**1,931**	**1,161**	**671**

The above statement should be read in conjunction with the accompanying notes.

Departmental Budget Variance Commentary

The following provides an explanation of major variances between the Original Budget estimates, as presented in the 2025–26 Portfolio Budget Statements and actual financial position, performance and cash flows for the year.

Variances are considered to be 'major' where it is considered important for the reader's understanding or is relevant to an assessment of the discharge of accountability and to an analysis of performance of the agency.

Major variances and explanations	Affected line items
Employee benefits	
Employee benefits were above budget primarily due to higher than anticipated average staffing levels throughout the year, resulting in increased salary and related employee costs. The variance also reflects expenditure associated with the voluntary redundancy program, including redundancy payments and related employee entitlements.	**Statement of Comprehensive Income** ▸ Employee benefits **Statement of Financial Position** ▸ Other payables ▸ Employee provisions **Cash Flow Statement** ▸ Employees
Suppliers	
Supplier expenses were lower than budget, primarily due to lower expenditure on property, travel and professional services. The variance also reflects reduced non-wage expenditure in line with whole-of-government savings initiatives, together with the delivery of planned activities at a lower than expected cost.	**Statement of Comprehensive Income** ▸ Suppliers **Statement of Financial Position** ▸ Trade and other receivables ▸ Suppliers **Cash Flow Statement** ▸ Suppliers
Non-financial assets, depreciation and amortisation	
Non-financial assets were below budget, with major variances attributable to the following: ▸ Internally developed software was below budget, reflecting lower than anticipated capital investment during the year, as well as changes in the timing and progress of capital project development activities. ▸ Leasehold improvements were below budget due to the timing of planned fit-out and refurbishment activities. As a result, depreciation and amortisation expenses were also lower than budget.	**Statement of Comprehensive Income** ▸ Depreciation and amortisation ▸ Write-down and impairment of other assets **Statement of Financial Position** ▸ Trade and other receivables ▸ Leasehold improvements ▸ Computer software **Cash Flow Statement** ▸ Purchase of non-financial assets ▸ Contributed equity

Administered Schedule of Comprehensive Income

for the period ended 30 June 2026

	Notes	2026 $'000	2025 $'000	Original Budget $'000
NET COST OF SERVICES				
Expenses				
Unclaimed monies – claims	2.1A	**604**	590	3,315
Write-down and impairment of assets	2.1B	**1,744**	5,364	5,750
Total expenses		**2,348**	**5,954**	**9,065**
Income				
Revenue				
Non-taxation revenue				
Fees and fines	2.2A	**5,372**	10,634	28,751
Unclaimed monies – lodgements	2.2B	**10,161**	3,712	6,921
Total non-taxation revenue		**15,533**	**14,346**	**35,672**
Gains				
Other gains	2.2C	**1,096**	1,485	–
Total gains		**1,096**	**1,485**	**–**
Total income		**16,629**	**15,831**	**35,672**
Net contribution by services		**14,281**	**9,877**	**26,607**
Surplus		**14,281**	**9,877**	**26,607**
OTHER COMPREHENSIVE INCOME				
Total other comprehensive income		**–**	–	–
Total comprehensive income		**14,281**	**9,877**	**26,607**

The above schedule should be read in conjunction with the accompanying notes.

Administered Schedule of Assets and Liabilities

as at 30 June 2026

	Notes	2026 $'000	2025 $'000	Original Budget $'000
ASSETS				
Financial assets				
Cash and cash equivalents		**–**	1	–
Trade and other receivables	4.1A	**5,567**	6,345	5,134
Other financial assets	4.1B	**792**	124	2,023
Total financial assets		**6,359**	**6,470**	**7,157**
Total assets administered on behalf of Government		**6,359**	**6,470**	**7,157**
LIABILITIES				
Payables				
Other payables		**–**	1	13
Total payables		**–**	**1**	**13**
Provisions				
Unclaimed monies provision	4.2A	**3,877**	4,973	10,196
Total provisions		**3,877**	**4,973**	**10,196**
Total liabilities administered on behalf of Government		**3,877**	**4,974**	**10,209**
Net assets (liabilities)		**2,482**	**1,496**	**(3,052)**

The above schedule should be read in conjunction with the accompanying notes.

Administered Budget Variance Commentary

In comparing the Administered Schedule of Comprehensive Income and Administered Schedule of Assets and Liabilities to the original budget as published in the 2025–26 Portfolio Budget Statements, the variances relate to:

Collection of penalties

Court penalties handed down by the courts were lower than anticipated at Budget. In 2025–26, the lower than anticipated number of cases resulted in lower fees and fines recognised, as well as lower associated write-down and impairment expenses.

As the timing and quantum of court-awarded penalties are inherently uncertain, the FWO is unable to reliably estimate these amounts when preparing its Budget.

Unclaimed monies

Unclaimed monies lodged by employers during 2025–26 were higher than anticipated at Budget. However, following a reassessment of expected payout patterns, including a slower than anticipated rate of claims, the unclaimed monies provision at 30 June 2026 was lower than budgeted.

Administered Reconciliation Schedule

for the period ended 30 June 2026

	Notes	2026 $'000	2025 $'000
Opening assets less liabilities as at 1 July		**1,496**	686
Net contribution by services			
Income		**16,629**	15,831
Expenses		**(2,348)**	(5,954)
Transfers (to)/from the Australian Government			
Appropriation transfers from the OPA			
Special appropriations (limited)		**604**	603
Appropriation transfers to the OPA			
Transfers to the OPA		**(13,899)**	(9,670)
Closing assets less liabilities as at 30 June		**2,482**	**1,496**

The above schedule should be read in conjunction with the accompanying notes.

Accounting policy

Administered cash transfers to and from the Official Public Account

Revenue collected by FWO for use by the Government rather than FWO is administered revenue. Collections are transferred to the Official Public Account (OPA) maintained by the Department of Finance. Conversely, cash is drawn from the OPA to make payments under Parliamentary appropriation on behalf of Government. These transfers to and from the OPA are adjustments to the administered cash held by FWO on behalf of the Government and reported as such in the schedule of administered cash flows and in the administered reconciliation schedule.

Administered Cash Flow Statement

for the period ended 30 June 2026

	Notes	2026 $'000	2025 $'000
OPERATING ACTIVITIES			
Cash received			
Unclaimed monies from employers		**10,161**	3,712
Fees and Fines		**3,737**	5,959
Total cash received		**13,898**	**9,671**
Cash used			
Unclaimed monies paid to individuals		**604**	603
Total cash used		**604**	**603**
Net cash from operating activities		**13,294**	**9,068**
Cash from Official Public Account			
Appropriations		**604**	603
Total cash from official public account		**604**	**603**
Cash to Official Public Account			
Appropriations		**(13,899)**	(9,670)
Total cash to official public account		**(13,899)**	**(9,670)**
Cash and cash equivalents at the beginning of the reporting period		**1**	–
Cash and cash equivalents at the end of the reporting period		**–**	**1**

This schedule should be read in conjunction with the accompanying notes.

Notes to and forming part of the financial statements

for the period ended 30 June 2026

Overview

The FWO is a non-corporate Commonwealth entity for the purposes of the *Public Governance, Performance, and Accountability Act 2013* (PGPA Act) and is an independent statutory office created under the *Fair Work Act 2009* on 6 March 2023.

The FWO is responsible for the delivery of the outcome, 'compliance with workplace relations legislation through advice, education and where necessary enforcement'. Our functions include:

- promoting harmonious, productive and cooperative workplace relations
- promoting and monitoring compliance with Australian workplace laws
- providing education, assistance and advice to employers, employees, outworkers, outworker entities and organisations
- inquiring into and investigating breaches of the Fair Work Act or a fair work instrument, and
- taking appropriate enforcement action, including by commencing court proceedings.

The basis of preparation

The financial statements are required by section 42 of the PGPA Act.

The financial statements have been prepared in accordance with:

a. *Public Governance, Performance and Accountability (Financial Reporting) Rule 2015* (FRR); and

b. Australian Accounting Standards and Interpretations – including simplified disclosures for Tier 2 Entities under AASB 1060 issued by the Australian Accounting Standards Board (AASB) that apply for the reporting period.

The financial statements have been prepared on an accrual basis and in accordance with the historical cost convention, except for certain assets and liabilities at fair value. Except where stated, no allowance is made for the effect of changing prices on the results or the financial position.

The financial statements are presented in Australian dollars and values are rounded to the nearest thousand dollars.

New accounting standards

All new, revised or amending standards that were issued prior to the sign-off date and are applicable to the current reporting period did not have a material impact on FWO's financial statements.

Taxation

The entity is exempt from all forms of taxation except Fringe Benefits Tax (FBT) and the Goods and Services Tax (GST).

Reporting of Administered Activities

Administered revenues, expenses, assets, liabilities and cash flows are disclosed in the administered schedules and related notes.

Except where otherwise stated, administered items are accounted for on the same basis and using the same policies as for departmental items, including the application of Australian Accounting Standards.

Events after the reporting period

No significant events have occurred after the reporting date that are likely to affect either the ongoing structure or financial activities of the FWO.

1. Departmental Financial Performance

This section analyses the financial performance of the FWO for the year ended 30 June 2026.

1.1 Expenses

	2026 $'000	2025 $'000
1.1A: Employee benefits		
Wages and salaries	**95,569**	86,611
Superannuation		
Defined contribution plans	**17,927**	13,857
Defined benefit plans	**2,221**	2,903
Leave and other entitlements	**20,351**	18,927
Separation and redundancies	**2,156**	922
Other employee expenses	**107**	57
Total employee benefits	**138,331**	**123,277**

Accounting policy

Accounting policies for employee related expenses are contained in the People and Relationships section.

1.1B: Suppliers		
Goods and services supplied or rendered		
Audit services	**215**	183
Consultants	**219**	693
Contractors	**4,458**	2,686
Education campaigns	**549**	1,007
Government shared services	**11,103**	10,902
Information and communications technology	**5,604**	5,435
Legal fees	**5,867**	5,705
Office and other expenses	**2,352**	2,754
Property	**2,820**	3,746
Training and development	**1,260**	1,830
Travel	**1,281**	1,985
Total goods and services supplied or rendered	**35,728**	**36,926**
Goods supplied	**2,911**	3,427
Services rendered	**32,817**	33,499
Total goods and services supplied or rendered	**35,728**	**36,926**
Other suppliers		
Workers compensation expenses	**339**	388
Short-term leases[1]	**398**	636
Total other suppliers	**737**	**1,024**
Total suppliers	**36,465**	**37,950**

1. In 2026 the FWO has short-term lease commitments of $0.032 million (2025: $0.036 million) for property and $0.008 million (2025: $0.032 million) for motor vehicles.

Accounting policy

Short-term leases and leases of low-value assets

The FWO has elected not to recognise right-of-use assets and lease liabilities for short-term leases of assets that have a lease term of 12 months or less and leases of low-value assets (less than $10,000). The lease payments associated with these leases are recognised as an expense on a straight-line basis over the lease term.

1.2 Income

	2026	2025
	$'000	$'000
1.2A: Other revenue		
Resources received free of charge – ANAO audit fees	**77**	77
Other	**61**	167
Total other revenue	**138**	**244**

Accounting policy

Resources received free of charge

Resources received free of charge are recognised as revenue when, and only when, a fair value can be reliably determined, and the services would have been bought if they had not been donated. Use of these resources is recognised as an expense. Resources received free of charge are recorded as either revenue or gains depending on their nature.

Other income

AASB 1058 applies to transactions where they do not meet the revenue recognition requirements of AASB 15. This standard applies when a not-for-profit entity receives volunteer services, such as the resources received free of charge costs above, or enters other transactions where an asset is acquired for significantly less than its fair value but principally enables the entity to further its objectives, such as donations, bequests, and grants that do not contain sufficiently specific performance obligations.

1.2B: Revenue from Government		
Appropriations		
Departmental appropriations	**179,593**	177,039
Total revenue from Government	**179,593**	**177,039**

Accounting policy

Revenue from Government

Amounts appropriated for departmental appropriations for the year (adjusted for any formal additions and reductions) are recognised as revenue from Government when the FWO gains control of the appropriation, except for certain amounts that relate to activities that are reciprocal in nature, in which case revenue is recognised only when it has been earned. Appropriation receivables are recognised at their nominal amounts.

2. Income and Expenses Administered on Behalf of Government

This section analyses the activities that the FWO does not control but administers on behalf of the Government. Unless otherwise noted, the accounting policies adopted are consistent with those applied for departmental reporting.

2.1 Administered Expenses

	2026 $'000	2025 $'000
2.1A: Unclaimed monies – claims		
Unclaimed wages to individuals[1]	**604**	590
Total unclaimed monies expense	**604**	**590**

1. Unclaimed monies arise where employers are unable to locate individuals entitled to wages owed. In these circumstances, amounts may be transferred to the FWO, which administers the funds and distributes them to individuals when valid claims are made. The expense reported in this note represents the disbursement of unclaimed monies to individuals during the reporting period. Refer to Note 2.2B for unclaimed monies received from employers.

2.1B: Write-down and impairment of assets		
Impairment of other receivables – court-awarded penalties	**1,744**	5,364
Total write-down and impairment of other assets	**1,744**	**5,364**

Accounting policy

Litigations undertaken by the FWO may result in penalties being handed down by the courts against employers and directors of the employing entity. These penalties are held as administered debtors in the accounts of the FWO. An assessment of the recoverability of the debt is carried out and if a debt is deemed to not be recoverable, a provision is established against the debtor and the associated cost is expensed.

2.2 Administered Income

2.2A: Fees and fines		
Court-awarded penalties	**2,394**	7,672
Infringement notices	**982**	902
Other fees from regulatory services	**1,996**	2,060
Total fees and fines	**5,372**	**10,634**

Fees and fines revenue comprises court-awarded penalties and infringement notices relating to breaches of the *Fair Work Act 2009* and contrition payments made to FWO under the terms of enforceable undertakings. The court-awarded penalty and enforceable undertaking revenues are recognised at the nominal amount due, refer to Note 4.1A. Revenue from infringement notices are recognised on receipt of payment.

	2026 $'000	2025 $'000
2.2B: Unclaimed monies – lodgements		
Unclaimed wages from employers	**10,161**	3,712
Total unclaimed monies – lodgements	**10,161**	**3,712**

Accounting policy

All administered revenues are revenues relating to ordinary activities performed by the FWO on behalf of the Australian Government. As such, administered appropriations are not revenues of the individual agency that oversees distribution of the funds as directed.

2.2C: Other gains		
Gain on remeasurement of unclaimed monies provision[1]	**1,096**	1,485
Total other gains	**1,096**	**1,485**

1. In 2026 the Australian Government Actuary reviewed unclaimed monies provision with the remeasurement in the provision resulting in a gain.

3. Departmental Financial Position

This section analyses the FWO assets used to conduct its operations and the operating liabilities incurred as a result. Employee-related information is disclosed in the People and Relationships section.

3.1 Financial Assets

	2026	2025
	$'000	$'000
3.1A: Cash and cash equivalents		
Cash on hand or on deposit	**1,714**	1,000
Cash held by contracted agents	**217**	161
Total cash and cash equivalents	**1,931**	**1,161**

Accounting policy

Cash and cash equivalents

Cash is recognised at its nominal amount. Cash and cash equivalents includes:

a) cash on hand;

b) demand deposits in bank accounts with an original maturity of 3 months or less that are readily convertible to known amounts of cash and subject to insignificant risk of changes in value; and

c) cash held in the OPA for special accounts.

3.1B: Trade and other receivables		
Goods and services receivables		
Goods and services	**417**	703
Total goods and services receivables	**417**	**703**
Appropriation receivables		
Appropriation receivable	**123,888**	127,979
Total appropriation receivables	**123,888**	**127,979**
Other receivables		
GST receivable from the ATO	**430**	444
Other	**20**	95
Total other receivables	**450**	**539**
Total trade and other receivables	**124,755**	**129,221**

No provision for impairment is required as at balance date. Credit terms for goods and services were within 20 days (2025: 20 days).

Accounting policy

Trade and other receivables

Trade and other receivables that are held for the purpose of collecting the contractual cash flows where the cash flows are solely payments of principal and interest, which are not provided at below-market interest rates, are subsequently measured at amortised cost using the effective interest method adjusted for any loss allowance.

Impairment of financial assets

Financial assets are assessed for credit risk on initial recognition and subsequently assessed for impairment at the end of each reporting period.

3.2 Non-Financial Assets

3.2A: Reconciliation of the opening and closing balances of property, plant and equipment, and intangibles

	Buildings $'000	Leasehold improvements $'000	Plant and equipment $'000	Computer software[1] $'000	Total $'000
As at 1 July 2025					
Gross book value	65,702	6,147	6,714	42,155	120,718
Accumulated depreciation, amortisation and impairment	(51,159)	(2,370)	(4,216)	(26,297)	(84,042)
Total as at 1 July 2025	**14,543**	**3,777**	**2,498**	**15,858**	**36,676**
Additions					
Purchase or internally developed	–	1,603	290	4,092	5,985
Right-of-use assets	1,568	–	–	–	1,568
Impairments recognised in net cost of services	–	–	(11)	(352)	(363)
Depreciation and amortisation	–	(1,472)	(848)	(2,909)	(5,229)
Depreciation on right-of-use assets	(7,173)	–	–	–	(7,173)
Total as at 30 June 2026	**8,938**	**3,908**	**1,929**	**16,689**	**31,464**
Total represented by:					
Gross book value	67,270	7,439	3,841	43,204	121,754
Accumulated depreciation, amortisation and impairment	(58,332)	(3,531)	(1,912)	(26,515)	(90,290)
Total as at 30 June 2026	**8,938**	**3,908**	**1,929**	**16,689**	**31,464**
Carrying amount of right-of-use assets	8,938	–	–	–	8,938

1. The carrying amount of computer software at 30 June 2026 comprised internally generated software.

2. There were no significant commitments for the acquisition of property, plant, equipment and intangible assets on 30 June 2026 (2025: nil).

Accounting policy

Assets are recorded at cost on acquisition except as stated below. The cost of acquisition includes the fair value of assets transferred in exchange and liabilities undertaken. Non-financial assets are initially measured at their fair value plus transaction costs where appropriate.

Assets acquired at no cost, or for nominal consideration, are initially recognised as assets and income at their fair value at the date of acquisition, unless acquired as a consequence of the restructuring of administrative arrangements. In the latter case, assets are initially recognised as contributions by owners at the amounts at which they were recognised in the transferor's accounts immediately prior to the restructuring.

Asset recognition threshold

Purchases of leasehold improvements and other property, plant and equipment are recognised initially at cost in the Statement of Financial Position, except for purchases costing less than $2,000, which are expensed in the year of acquisition (other than where they form part of a group of similar items which are significant in total).

The initial cost of an asset includes an estimate of the cost of dismantling and removing the item and restoring the site on which it is located. This is particularly relevant to 'make good' provisions in property leases recognised by the FWO where an obligation exists to restore the property to its original condition at the end of the lease term. These costs are included in the value of the FWO's leasehold improvements assets with a corresponding provision for the 'make good' recognised where one exists.

Lease right-of-use (ROU) assets

Leased ROU assets are capitalised at the commencement date of the lease and comprise the initial lease liability amount (initial direct costs incurred when entering into the lease less any lease incentives received). These assets are accounted for by FWO as separate asset classes to corresponding assets owned outright, but included in the same column as where the corresponding underlying assets would be presented if they were owned.

Following initial recognition, an impairment review is undertaken for any right-of-use lease asset that shows indicators of impairment and an impairment loss is recognised against any right-of-use lease asset that is impaired. No impairment loss has been recognised in 2026 (2025: nil). Lease ROU assets continue to be measured at cost after initial recognition.

Revaluations

Following initial recognition at cost, leasehold improvements (excluding ROU assets) and other property, plant and equipment assets are carried at fair value, or an amount not materially different from fair value. Valuations are conducted with sufficient frequency to ensure that the carrying amounts of assets did not differ materially from the assets' fair values as at the reporting date. The regularity of independent valuations depended upon the volatility of movements in market values for the relevant assets.

Revaluation adjustments are made on a class basis. Any revaluation increment is credited to equity under the heading of asset revaluation reserve except to the extent that it reversed a previous revaluation decrement of the same asset class that was previously recognised in the surplus/deficit. Revaluation decrements for a class of assets are recognised directly in the surplus/deficit except to the extent that they reverse a previous revaluation increment for that class.

Any accumulated depreciation as at the revaluation date is eliminated against the gross carrying amount of the asset and the asset restated to the revalued amount.

An independent desktop valuation was conducted during 2025–26 by Jones Lang LaSalle Advisory Services Pty Ltd of the FWO's non-financial assets.

Depreciation

Depreciable property, plant and equipment assets are written-off to their estimated residual values over their estimated useful lives using the straight-line method of depreciation. Leasehold improvements are depreciated on a straight-line basis over the lesser of the estimated useful life of the improvements and the unexpired period of the lease.

Depreciation rates (useful lives), residual values and methods are reviewed at each reporting date and necessary adjustments are recognised in the current, or current and future reporting periods, as appropriate.

Depreciation rates applying to each class of depreciable assets are based on the following useful lives:

Asset Class	2026	2025
Leasehold improvement	Lesser of term and useful life	Lesser of term and useful life
Plant and equipment	5 years	5 years
Computer equipment	3–8 years	3–8 years

The depreciation rates for ROU assets are based on the commencement date to the earlier of the end of the useful life of the ROU asset or the end of the lease term.

Impairment

All assets were assessed for impairment at 30 June 2026. Where indications of impairment exist, the asset's recoverable amount is estimated, and an impairment adjustment made if the asset's recoverable amount is less than its carrying amount.

The recoverable amount of an asset is the higher of its fair value less costs of disposal and its value in use. Value in use is the present value of the future cash flows expected to be derived from the asset. Where the future economic benefit of an asset is not primarily dependent on the asset's ability to generate future cash flows, and the asset would be replaced if the FWO were deprived of the asset, its value in use is taken to be its depreciated replacement cost.

Impairment of $0.011 million was recognised for leasehold improvements and property, plant and equipment assets as part of the annual stocktake process (2025: nil).

Derecognition

An item of leasehold improvements or other property, plant and equipment is derecognised upon disposal or when no further future economic benefits are expected from its use or disposal.

Intangibles

The FWO's intangibles comprise internally developed software for internal use. These assets are carried at cost less accumulated amortisation and accumulated impairment losses.

Software is amortised on a straight-line basis over its anticipated useful life. The useful lives of the FWO's software are 3–6 years (2025: 3–6 years).

All software assets were assessed for indications of impairment as at 30 June 2026 with an impairment recognised of $0.352 million (2025: $2.282 million).

3.3 Payables

	2026 $'000	2025 $'000
3.3A: Suppliers		
Trade creditors and accruals	**6,087**	6,906
Total suppliers	**6,087**	**6,906**
3.3B: Other payables		
Salaries and wages	**4,548**	3,918
Separations and redundancies	**648**	–
Other	**–**	1
Total other payables	**5,196**	**3,919**

Accounting policy

Suppliers and other payables are recognised at amortised cost. Liabilities are recognised to the extent that the goods and services have been received and irrespective of having been invoiced.

3.4 Interest Bearing Liabilities

3.4A: Leases		
Lease liabilities	**10,365**	16,342
Total leases	**10,365**	**16,342**
Maturity analysis – contractual undiscounted cash flows		
Within 1 year	**5,866**	7,565
Between 1 to 5 years	**4,868**	9,398
Total leases	**10,734**	**16,963**

The above lease disclosures should be read in conjunction with the accompanying notes 1.1B and 3.2A.

Accounting policy

For all new contracts entered into, the FWO considers whether the contract is, or contains, a lease. A lease is defined as a 'contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'.

Once it has been determined that a contract is or contains a lease, the lease liability is initially measured at the present value of the lease payments unpaid at commencement date, discounted using the interest rate implicit in the lease, if that rate is readily determinable, or the FWO's incremental borrowing rate.

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is measured to reflect any reassessment or modification to the lease. When the lease liability is remeasured, the corresponding adjustment is reflected in the ROU asset or profit and loss depending on the nature of the reassessment or modification.

4. Assets and Liabilities Administered on Behalf of Government

This section analyses the assets and liabilities that FWO does not control but administers on behalf of Government. Unless otherwise noted, the accounting policies adopted are consistent with those applied for departmental reporting.

4.1 Administered Assets

	2026	2025
	$'000	$'000
4.1A: Trade and other receivables		
Other receivables		
Court-awarded penalties	**28,730**	33,291
Total trade and other receivables (gross)	**28,730**	**33,291**
Less expected credit loss allowance		
Other receivables – court-awarded penalties	**(23,163)**	(26,946)
Total trade and other receivables (net)	**5,567**	**6,345**

All receivables are expected to be settled within 12 months.

Accounting policy

Where receivables are not subject to concessional treatment, they are carried at amortised cost using the effective interest method. Gains and losses due to impairment, derecognition and amortisation are recognised through profit or loss.

Administered receivables represents debts owed to the FWO by employers, workers and organisations as a result of court-awarded penalties.

4.1B: Other financial assets		
Accrued revenue	**792**	124
Total other financial assets	**792**	**124**

All other financial assets are expected to be settled within 12 months.

4.2 Administered Liabilities

	2026	2025
	$'000	$'000
4.2A: Unclaimed monies provision		
Fair Work Act 2009 claims	**3,877**	4,973
Total unclaimed monies provision	**3,877**	**4,973**

Accounting policy

The provisions recognised in the Administered Schedule of Assets and Liabilities are for estimated claims payable from collections of unclaimed monies administered by FWO. The provision as at 30 June 2026 is based on the valuation undertaken by an independent actuary.

Accounting judgements and estimates

The provision as at 30 June 2026 was estimated by an independent actuary based on unclaimed lodgements as at the balance date and actuarial assumptions for future claims. The actuarial assumptions for each group of unclaimed monies have been derived from a combination of relevant historic claims patterns and future expectations to reflect the current practices of the FWO Unclaimed Monies Team in searching for possible claimants.

No interest or discounting is applied in calculating this provision as the impact is not considered material in view of experience to date.

The unclaimed monies lodged with FWO fall into 2 broad groups:

- Lodgements from employers in order to discharge their obligations under section 559 of the *Fair Work Act 2009*.
- Unclaimed monies as a result of litigation by the FWO against employers and referred to the FWO Unclaimed Monies Team by the FWO's legal team.

The total outstanding unclaimed monies has increased in recent years due to the Government's initiative to proactively identify underpayments by large corporate employers and aid them to rectify any breaches. The total balance of unclaimed monies in 2026 is $31.975 million (2025: $22.417 million).

5. Funding

This section identifies the FWO funding structure.

5.1 Appropriations

5.1A: Annual appropriations

Annual appropriations for 2026

	Annual appropriation[1] $'000	Adjustments to appropriation[2] $'000	Total appropriation $'000	Appropriation applied in 2026 (current and prior years) $'000	Variance[3] $'000
Departmental					
Ordinary annual services	179,593	4,788	**184,381**	183,457	**924**
Capital budget[4]	7,194	–	**7,194**	6,020	**1,174**
Total departmental	**186,787**	**4,788**	**191,575**	**189,477**	**2,098**

1. No amounts have been withheld under section 51 of the PGPA Act.
2. Adjustments to appropriation comprised PGPA Act section 74 receipts including $3.321 million in retainable GST.
3. The variance between total appropriation and appropriation applied in 2026 relates to lower than anticipated capital expenditure relating to software projects and timing of accrued expenditure.
4. Departmental Capital Budgets are appropriated through Appropriation Acts (No. 1, 3, 5). They form part of ordinary annual services and are not separately identified in the appropriation acts.

Annual appropriations for 2025

	Annual appropriation[1] $'000	Adjustments to appropriation[2] $'000	Total appropriation $'000	Appropriation applied in 2025 (current and prior years) $'000	Variance[3] $'000
Departmental					
Ordinary annual services	177,039	5,487	182,526	174,302	8,224
Capital budget[4]	6,705	–	6,705	8,011	(1,306)
Total departmental	183,744	5,487	189,231	182,313	6,918

1. No amounts have been withheld under section 51 of the PGPA Act.
2. Adjustments to appropriation comprised PGPA Act section 74 receipts including $3.591 million in retainable GST.
3. The variance between total appropriation and appropriation applied in 2025 relates to additional capital spend on the whole of agency laptop refresh and software projects, with the underspend in ordinary annual services due to reduced non-wage expenditure in line with Government expectations and planned activities achieved at lower than expected cost.
4. Departmental Capital Budgets are appropriated through Appropriation Acts (No. 1, 3, 5). They form part of ordinary annual services and are not separately identified in the appropriation acts.

5.1B: Unspent annual appropriations

	2026 $'000	2025 $'000
Departmental		
Supply Act (No. 3) 2022–23 – Ordinary Annual Services[1]	–	21,687
Appropriation Act (No. 1) 2022–23 – DCB[1]	–	404
Appropriation Act (No. 1) 2023–24 – Ordinary Annual Services[2,3]	**2,229**	2,229
Appropriation Act (No. 1) 2023–24 – DCB[2,3]	**807**	807
Appropriation Act (No. 3) 2023–24 – DCB[3]	**5,419**	5,419
Appropriation Act (No. 1) 2024–25 – Ordinary Annual Services	–	115,855
Appropriation Act (No. 1) 2024–25 – DCB	**685**	6,705
Appropriation Act (No. 1) 2024–25 – Cash	–	1,161
Supply Act (No. 1) 2025–26 – Ordinary Annual Services	**11,608**	–
Supply Act (No. 1) 2025–26 – DCB	**2,998**	–
Appropriation Act (No. 1) 2025–26 – Ordinary Annual Services	**104,401**	–
Appropriation Act (No. 1) 2025–26 – DCB	**4,196**	–
Appropriation Act (No. 1) 2025–26 – Cash	**1,931**	–
Total departmental unspent appropriations	**134,274**	**154,267**

1. Unspent 2022–23 appropriations of $22.091 million were repealed on 1 July 2025. The repealed amount comprised $17.944 million associated with the former Australian Building and Construction Commission (ABCC), $3.743 million relating to the Registered Organisations Commission (ROC) function transferred to the Fair Work Commission, and $0.404 million relating to the National Labour Hire Registration Scheme (NLHRS). All amounts had previously been quarantined.
2. The following amounts have also been withheld under section 51 of the PGPA Act relating to the NLHRS:
   - $2.229 million in Appropriation Act (No. 1) 2023–24 – Ordinary Annual Services;
   - $0.807 million in Appropriation Act (No. 1) 2023–24 – DCB.
3. Appropriations relating to 2023–24 will be repealed on 1 July 2026.

5.1C: Special appropriations

	Appropriation applied	
	2026	2025
Authority	**$'000**	$'000
Fair Work Act 2009 s559(4) Administered	**604**	603
Total special appropriations applied	**604**	**603**

5.2 Net Cash Appropriation Arrangements

5.2: Net Cash Appropriation Arrangements

	2026	2025
	$'000	$'000
Total comprehensive loss – as per the Statement of Comprehensive Income	**(7,990)**	(9,336)
Plus: depreciation/amortisation of assets funded through appropriations (departmental capital budget funding and/or equity injections)[1]	**5,229**	13,770
Plus: depreciation of right-of-use assets[2]	**7,173**	7,602
Less: lease principal repayments[2]	**(7,545)**	(7,450)
Net Cash Operating Surplus/(Deficit)	**(3,133)**	**4,586**

1. From 2010–11, the Government introduced net cash appropriation arrangements where revenue appropriations for depreciation/amortisation expenses of non-corporate Commonwealth entities and selected corporate Commonwealth entities were replaced with a separate capital budget provided through equity injections. Capital budgets are to be appropriated in the period when cash payment for capital expenditure is required.
2. The inclusion of depreciation/amortisation expenses related to ROU leased assets and the lease liability principal repayment amount reflects the impact of AASB 16 Leases, which does not directly reflect a change in appropriation arrangements.

6. People and Relationships

This section describes a range of employment and post-employment benefits provided to our people and our relationships with other key people.

6.1 Employee Provisions

	2026	2025
	$'000	$'000
6.1A: Employee provisions		
Leave	**34,305**	32,981
Other	**60**	48
Total employee provisions	**34,365**	**33,029**

Accounting policy

Liabilities for short-term employee benefits and termination benefits expected within 12 months of the end of the reporting period are measured at their nominal amounts.

Other long-term employee benefits are measured as net total of the present value of the defined benefit obligation at the end of the reporting period minus the fair value at the end of the reporting period of plan assets (if any), out of which the obligations are to be settled directly.

Leave

The liability for employee benefits includes provision for annual leave and long service leave. No provision has been made for personal leave as all personal leave is non-vesting and the average personal leave taken in future years by employees of the FWO is estimated to be less than the annual entitlement for personal leave.

The leave liabilities are calculated on the basis of employees' remuneration at the estimated salary rates that will be applied at the time the leave is taken, including the FWO's employer superannuation contribution rates to the extent that the leave is likely to be taken during service rather than paid out on termination.

The estimate of the present value of the long service leave liability takes into account attrition rates and pay increases through promotion and inflation using the shorthand method prescribed in the FRR.

Separation and redundancy

Provision is made for separation and redundancy benefit payments. The FWO recognises a provision for termination when it has developed a detailed formal plan for the terminations and has informed those employees affected that it will carry out the terminations.

Superannuation

The FWO's staff are members of either the Commonwealth Superannuation Scheme (CSS), the Public Sector Superannuation Scheme (PSS), the PSS Accumulation Plan (PSSap), or other superannuation funds held outside the Australian Government. The CSS and PSS are defined benefit schemes for the Australian Government. The PSSap is a defined contribution scheme.

The liability for defined benefits is recognised in the financial statements of the Australian Government and is settled by the Australian Government in due course. This liability is reported in the Department of Finance's administered schedules and notes.

The FWO makes employer contributions to the employees' defined benefit superannuation schemes at rates determined by an actuary to be sufficient to meet the current cost to the Government. The FWO accounts for the contributions as if they were contributions to defined contribution plans.

The liability for superannuation recognised at 30 June represents outstanding contributions.

Accounting judgements and estimates

In the process of applying the accounting policies listed in this note, the FWO has made the following judgements that have significant impact on the amounts recorded in the financial statements: the Australian Government shorthand method has been used to estimate the present value of long service leave liabilities. This involves the estimation of salary growth rates, discount rates, the probability of leave vesting and the amount of leave expected to be settled in service.

6.2 Key Management Personnel

Key management personnel (KMP) are those persons having authority and responsibility for planning, directing and controlling the activities of the FWO, directly or indirectly. The FWO has determined the KMP to be the Minister for Employment and Workplace Relations, the Chief Executive and members of the Corporate Board (the FWO's Executive). KMP remuneration is reported in the table below:

6.2: Key management personnel remuneration

	2026	2025
	$'000	$'000
Short-term employee benefits	**1,933**	1,888
Post-employment benefits	**281**	257
Other long-term employee benefits	**51**	93
Termination benefits	**–**	–
Total key management personnel remuneration expenses	**2,265**	**2,238**

The total number of senior management personnel that are included in the above table is 5 (2025: 5).

The above key management personnel remuneration excludes the remuneration and other benefits of the Minister for Employment and Workplace Relations. The Ministers' remuneration and other benefits are set by the Remuneration Tribunal and are not paid by the FWO.

6.3 Related Party Disclosures

Related party relationships

The FWO is an Australian Government controlled entity. Related parties to the FWO are KMP, including the Minister for Employment and Workplace Relations, the Chief Executive and members of the Corporate Board.

Transactions with related parties

Given the breadth of Government activities, related parties may transact with the government sector in the same capacity as ordinary citizens. These transactions have not been separately disclosed in this note.

Giving consideration to relationships with related entities, and transactions entered into during the reporting period by the FWO, it has been determined that there are no related party transactions to be separately disclosed.

7. Managing Uncertainties

This section analyses how the FWO manages financial risks within its operating environment.

7.1 Contingent Assets and Liabilities

7.1A: Contingent assets and liabilities

As at 30 June 2026, the FWO had no quantifiable or unquantifiable contingent assets or liabilities (2025: nil).

7.1B: Administered – contingent assets and liabilities

As at 30 June 2026 the FWO had no quantifiable contingent assets or liabilities (2025: nil).

As at 30 June 2026, the FWO is currently involved in litigation against 83 entities and while the probability of success is high in these matters, it is not possible to accurately estimate the value of any penalties that may be imposed by the courts (2025: 97).

As at 30 June 2026, the FWO had no unquantifiable administered contingent liabilities (2025: nil).

Accounting policy

Contingent liabilities and contingent assets are not recognised in the Statement of Financial Position but are reported in the notes. They may arise from uncertainty as to the existence of a liability or asset, or represent an asset or liability for which the amount cannot be reliably measured. Contingent assets are disclosed when settlement is probable but not virtually certain and contingent liabilities are disclosed when the likelihood of settlement is greater than remote.

7.2 Financial Instruments

7.2A: Categories of financial instruments

	2026	2025
	$'000	$'000
Financial assets at amortised cost		
Cash and cash equivalents	**1,931**	1,161
Goods and services receivables	**417**	703
Other receivables	**20**	95
Total financial assets at amortised cost	**2,368**	**1,959**
Total financial assets	**2,368**	**1,959**
Financial liabilities		
Financial liabilities measured at amortised cost		
Suppliers	**6,087**	6,906
Total financial liabilities measured at amortised cost	**6,087**	**6,906**
Total financial liabilities	**6,087**	**6,906**

The FWO has no net income or expenses from financial instruments.

Accounting policy

Financial assets

In accordance with AASB 9 Financial Instruments, the FWO classifies its financial assets in the following categories:

a) financial assets at fair value through profit or loss

b) financial assets at fair value through other comprehensive income

c) financial assets measured at amortised cost.

The classification depends on both the FWO's business model for managing the financial assets and contractual cash flow characteristics at the time of initial recognition. Financial assets are recognised when the FWO becomes a party to the contract and, as a consequence, has a legal right to receive or a legal obligation to pay cash, and derecognised when the contractual rights to the cash flows from the financial asset expire or are transferred upon trade date.

In 2026, the FWO's financial assets are all measured at amortised cost.

Impairment of financial assets

Financial assets are assessed for impairment at the end of each reporting period based on expected credit losses, using the general approach, which measures the loss allowance based on an amount equal to lifetime expected credit losses where risk has significantly increased, or an amount equal to 12-month expected credit losses if risk has not increased.

The simplified approach for trade, contract and lease receivables is used. This approach always measures the loss allowance as the amount equal to the lifetime expected credit losses.

A write-off constitutes a derecognition event where the write-off directly reduces the gross carrying amount of the financial asset.

Financial assets at amortised cost

Financial assets included in this category need to meet 2 criteria:

a) the financial asset is held in order to collect the contractual cash flows; and

b) the cash flows are solely payments of principal and interest (SPPI) on the principal outstanding amount.

Amortised cost is determined using the effective interest method.

Effective interest method

Income is recognised on an effective interest rate basis for financial assets that are recognised at amortised cost.

Financial liabilities

Financial liabilities are classified as either financial liabilities 'at fair value through profit or loss' or other financial liabilities. Financial liabilities are recognised and derecognised upon 'trade date'.

Financial liabilities at amortised cost

The FWO's financial liabilities are initially measured at fair value, net of transaction costs. These liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective interest basis.

Supplier and other payables are recognised at amortised cost. Liabilities are recognised to the extent that the goods or services have been received (and irrespective of having been invoiced).

7.3 Fair Value Measurement

	2026 $'000	2025 $'000
Fair value measurements at the end of the reporting period		
Non-financial assets		
Leasehold improvements	**3,908**	3,777
Property, plant and equipment	**1,929**	2,498
Total fair value measurements of assets in the Statement of Financial Position	**5,837**	**6,275**

There is no significant change in the valuation technique since the prior year.

Accounting policy

The fair value of non-financial assets has been taken to be the market value of similar assets.

The FWO's assets are held for operational purposes and not held for the purposes of deriving a profit. The current use of all controlled assets is considered their highest and best use.

FWO engaged an independent valuer, Jones Lang LaSalle Advisory Services Pty Ltd, to conduct a comprehensive revaluation of all non-financial assets at 30 June 2024. An annual assessment is undertaken to determine whether the carrying amount of the assets is materially different to the fair value. Comprehensive valuations are carried out at least once every 3 years. The valuer provided written assurance to FWO that the models developed are in compliance with AASB 13 Fair Value Measurement.

FWO conducted an independent assessment of the indicators of fair value, including a review of relevant industry and Australian Bureau of Statistics indices, Reserve Bank of Australia bond rates and applicable market prices to ensure the requirements of AASB 13 Fair Value Measurement were met. The methods utilised to determine and substantiate the unobservable inputs are derived and evaluated as follows:

Physical depreciation and obsolescence

Assets that do not transact with enough frequency or transparency to develop objective opinions of value from observable market evidence have been measured utilising the Current Replacement Cost approach. Under the Current Replacement Cost approach the estimated cost to replace the asset is calculated and then adjusted to take into account physical depreciation and obsolescence. Physical depreciation and obsolescence has been determined based on professional judgement regarding physical, economic and external obsolescence factors relevant to the asset under consideration. For all leasehold improvement assets, the consumed economic benefit/asset obsolescence deduction is determined based on the term of the associated lease.

Market approach

The market approach provides an indication of value by comparing the subject asset with similar assets for which price information is available. Under this approach the first step is to consider the prices for transactions of similar assets that have occurred recently in the market. If few recent transactions have occurred, it may also be appropriate to consider the prices of identical or similar assets that are listed or offered for sale provided the relevance of this information is clearly established and critically analysed. It may be necessary to adjust the price information from other transactions to reflect any differences in the terms of the actual transaction as well as for differences in the legal, economic or physical characteristics of the assets in other transactions and the asset being valued.

The market approach was used to determine the value of property, plant and equipment assets.

8. Other Information

8.1 Current/non-current distinction for assets and liabilities

8.1A: Current/non-current distinction for assets and liabilities

	2026	2025
	$'000	$'000
Assets expected to be recovered in:		
No more than 12 months		
Cash and cash equivalents	**1,931**	1,161
Trade and other receivables	**124,755**	129,221
Prepayments	**2,335**	3,825
Total no more than 12 months	**129,021**	**134,207**
More than 12 months		
Buildings	**8,938**	14,543
Leasehold improvements	**3,908**	3,777
Plant and equipment	**1,929**	2,498
Intangibles	**16,689**	15,858
Total more than 12 months	**31,464**	**36,676**
Total assets	**160,485**	**170,883**
Liabilities expected to be settled in:		
No more than 12 months		
Suppliers	**6,087**	6,906
Other payables	**5,196**	3,919
Leases	**5,666**	7,220
Employee provisions	**10,658**	13,213
Total no more than 12 months	**27,607**	**31,258**
More than 12 months		
Leases	**4,699**	9,122
Employee provisions	**23,707**	19,816
Total more than 12 months	**28,406**	**28,938**
Total liabilities	**56,013**	**60,196**

8.1B: Administered – current/non-current distinction for assets and liabilities

	2026 $'000	2025 $'000
Assets expected to be recovered in:		
No more than 12 months		
Cash and cash equivalents	**–**	1
Trade and other receivables	**5,567**	6,345
Other financial assets	**792**	124
Total no more than 12 months	**6,359**	**6,470**
Total assets	**6,359**	**6,470**
Liabilities expected to be settled in:		
No more than 12 months		
Other payables	**–**	1
Unclaimed monies provision	**733**	1,200
Total no more than 12 months	**733**	**1,201**
More than 12 months		
Unclaimed monies provision	**3,144**	3,773
Total more than 12 months	**3,144**	**3,773**
Total liabilities	**3,877**	**4,974**



Part 5
Appendices

Appendix A Agency Resource Statement 2025–26

Appendix B Expenses for Outcome 1

Agency Resource Statement 2025–26
Appendix A

	Current Available Appropriation 2025–26 $'000 (a)	Payments Made 2025–26 $'000 (b)	Balance Remaining 2025–26 $'000 (a–b)
Departmental			
Annual appropriation – ordinary annual services[1,2]	313,365	189,477	123,888
Total departmental resourcing	**313,365**	**189,477**	**123,888**
Administered			
Special Appropriation	1,500	604	896
Total administered resourcing	**1,500**	**604**	**896**
Total resourcing and payments for Office of the Fair Work Ombudsman	**314,865**	**190,081**	**124,784**

1. Appropriation Act (No. 1) 2025–26. This may also include prior-year departmental appropriation and section 74 retained revenue receipts.
2. Includes an amount of $7.194 million in 2025–26 for the departmental capital budget. For accounting purposes, this amount has been designated as 'contributions by owners'.

Expenses for Outcome 1

Appendix B

Outcome 1: Compliance with workplace relations legislation through advice, education and where necessary enforcement	Budget 2025–26 $'000 (a)	Actual Expenses 2025–26 $'000 (b)	Variation 2025–26 $'000 (a–b)
Program 1.1: Education Services and Compliance Activities			
Administered expenses			
Special appropriation	1,500	604	896
Expenses not requiring appropriation in the Budget year[1]	7,565	1,744	5,821
Administered total	**9,065**	**2,348**	**6,717**
Departmental expenses			
Departmental appropriation	172,326	175,181	(2,855)
S74 Retained revenue receipts	600	357	243
Expenses not requiring appropriation in the Budget year[2]	16,222	12,402	3,820
Departmental total	**189,148**	**187,940**	**1,208**
Total for Program 1.1	**198,213**	**190,288**	**7,925**
Total Expenses for Outcome 1	**198,213**	**190,288**	**7,925**

	Budget 2025–26	Actual 2025–26	Variation 2025–26
Average staffing level (number)	997	986	11

1. Expenses not requiring appropriation in the Budget year are made up of movement in the unclaimed monies provision and doubtful debt provision.
2. Expenses not requiring appropriation in the Budget year are made up of depreciation and amortisation.



Part 6

Reference material

Reporting on specific legislation

Glossary

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Reporting on specific legislation

Legislation	Section
Section 311A *Commonwealth Electoral Act 1918*	Advertising (Page 92)
Section 516A *Environment Protection and Biodiversity Conservation Act 1999*	Property and environment management (Page 88)
Part II *Freedom of Information Act 1982*	Freedom of information (page 86)
Schedule 2, Part 4 *Work Health and Safety Act 2011*	Work health and safety (page 80)

Glossary

Accountable Authority
The Accountable Authority, in the context of this Annual Report, is the person responsible for, and has control over, the FWO's operations.

Agency
The Office of the Fair Work Ombudsman (FWO).

Annual performance statement
A requirement under the *Public Governance, Performance and Accountability Act 2013*, the statement provides a line of sight between planned non-financial performance outlined in the Corporate Plan and actual performance over the reporting period.

Appropriation
An amount of public money that Parliament authorises for spending on a particular purpose.

APS Employee Census
An online, confidential and voluntary survey that tracks the views of APS employees about leadership, their workplace and conditions of work. The results are a key source of information for the State of the Service report.

AusTender
The Australian Government's web-based procurement information system, which provides centralised access to all publicly available approaches to market, multi-use lists, annual procurement plans and reported contracts.

Australian Public Service (APS) Employee
A person engaged under section 22, or a person who is engaged as an APS employee under section 72, of the *Public Service Act 1999* (Public Service Act).

Closing Loopholes
The Closing Loopholes amendments refer to the *Fair Work Legislation Amendment (Closing Loopholes) Act 2023*, and the *Fair Work Legislation Amendment (Closing Loopholes No. 2) Act 2024*.

Comcare
An insurer, regulator and scheme manager and claims manager that promotes safe and healthy work.

Common law contract
An individual contract of employment between an employer and an employee that is not lodged or certified under federal or state legislation but is subject to award requirements and provisions.

Compliance notice (CN)
A non-punitive mechanism that legally requires a person to take specified action to remedy the direct effects of an identified contravention. If a person fails to comply with a compliance notice and does not have a reasonable excuse, that person has contravened the *Fair Work Act 2009* (FW Act) and a court may impose penalties

Contravention
The failure to comply with an obligation within the FW Act, awards or registered agreements. Other known term: breach.

Contrition payment
A payment that may form part of an enforceable undertaking. Contrition payments may be made to the Commonwealth Consolidated Revenue Fund or an approved recipient organisation in recognition of workplace law breaches and to promote future workplace compliance.

Cooperation agreements
A cooperation agreement is a written agreement between the FWO and someone (such as an employer, business or individual) who has told the FWO they have engaged in conduct that may amount to the criminal underpayment offence. While the cooperation agreement is in force, the FWO cannot refer conduct outlined in that agreement for possible criminal prosecution. The FWO may still consider civil enforcement options if necessary.

Corporate governance
The process by which agencies are directed and controlled. It is generally understood to encompass authority, accountability, stewardship, leadership, direction and control.

Corporate Plan
A primary strategic planning document that sets out objectives, capabilities and intended results over a 4-year period in accordance with stated purposes. The Plan should provide a clear line of sight with the relevant annual performance statement, Portfolio Budget Statement (PBS) and Annual Report.

Criminal underpayment offence
The offence introduced under subsection 327A of the *Fair Work Act 2009* on 1 January 2025, which makes intentional underpayment of wages or entitlements a criminal offence.

Digital display
Digital display is advertising on websites, apps or social media through banners or other advertising formats made of text, images, flash, video and audio.

Duty holder
A duty holder is defined as a person, natural or corporate, that has an obligation under the FW Act to either do or not do a particular action. A duty holder includes (but is not limited to): employing entities, registered organisations, company directors, company secretaries, officials of organisations, managers, accountants, bookkeepers, external human resources consultants, companies and people involved in supply chains involving the procurement of labour, persons involved in industrial action, a holding company of a subsidiary employing entity or its directors, franchisors, and workers

Employer Advisory Service (EAS)
The Employer Advisory Service (EAS) is a free service to help small business employers understand and meet their workplace pay and entitlements obligations under the FW Act.

Enforceable undertakings (EUs)
Enforceable undertakings (EUs) are legally binding documents that set out a company's written commitment to address workplace contraventions and prevent future breaches.

Enforced compliance
The use of strong enforcement action, such as civil litigation or referrals for criminal prosecution, by the FWO where it is in the public interest. It aims to deter unlawful conduct, particularly where there is intentional wrongdoing, significant impact, or lack of cooperation. Where appropriate, alternative enforcement tools such as enforceable undertakings or cooperation agreements may be used. This is one of the FWO's main responses to allegations or instances of non-compliance.

Enterprise agreement (EA)
A legally enforceable agreement made under the FW Act between one or more employers and a group of employees in relation to terms and conditions of employment for those employees.

Fair Work Act 2009 **(FW Act)**
The principal Commonwealth law governing Australia's workplace relations system.

Freedom of Information Act 1982 **(FOI Act)**
This legislation gives people the right to request access to Government-held information. This includes information about individuals and Government policies and decisions.

Guided compliance
The use of formal direction by the FWO to support compliance with workplace laws following an investigation. It involves Fair Work Inspectors requiring duty holders to take specified actions, such as through compliance notices or contravention letters. Guided compliance is used where non-compliance is identified but may be addressed without immediate litigation. This is one of the FWO's main responses to allegations or instances of non-compliance.

Impressions
Represents the total count of times digital content, such as an ad, web page, or social media post, is displayed on a user's screen.

Independent contractor
A person who works for themselves and provides services to another person or business and is not employed by that person or business. Independent contractors usually negotiate their own fees and working arrangements and can work for more than one client at a time. Other known terms: subcontracting and contractor.

Individual flexibility arrangement
A written agreement used by an employer and employee to change the effect of certain clauses in their award or registered agreement – making alternative arrangements that better suit the needs of the employer and employee.

Infringement notice (IN)
Infringement notices (INs) are fines issued to employers for breaching record-keeping, pay slip requirements or unlawful job advertisements under the FW Act. An IN may be issued on the spot or up to 12 months after the contravention occurred.

Key performance indicators (KPIs)
Financial and non-financial measures used to help define and evaluate an organisation's success. An indicator is usually selected on the basis of relevance as a measure of some aspect of a specific project or operation.

Labour hire
An arrangement where a business provides workers to another business. Labour hire employers then send their labour hire employees to a host employer (host). The labour hire employee works for the host, but their pay and entitlements are provided by their labour hire employer.

Large corporate
Large businesses, corporate groups or entities that are part of an economic group with combined turnover greater than $250 million.

Memorandum of Understanding
A written agreement between the FWO and another organisation that defines the working relationship, expectations and responsibilities. This may include outlining how the collaboration will create and maintain harmonious, productive and cooperative workplaces and promote a level playing field for businesses in specific industries. The formal agreements are publicly available on the FWO engagement and collaboration webpage (**fairwork.gov.au/about-us/engagement-and-collaboration**).

Outcomes
Desired results, impacts or consequences for the Australian public resulting from the Government's actions.

Pacific Australia Labour Mobility (PALM) scheme
The PALM scheme supports eligible Australian businesses in hiring workers from certain Pacific Islands and Timor-Leste when there are not enough local workers available. The PALM scheme is jointly administered by the Department of Employment and Workplace Relations (DEWR) and the Department of Foreign Affairs and Trade (DFAT).

Pay and Conditions Tool (PACT)
An online tool that combines a pay, shift, leave, and notice and redundancy calculator. It can be accessed on mobile devices and enables calculations to be saved for later reference.

Portfolio Budget Statements (PBS)
A budget-related paper detailing initiatives and budget appropriations in terms of planned Government outcomes and programs.

***Public Governance, Performance and Accountability Act 2013* (PGPA Act)**
The primary piece of Commonwealth resource management legislation.

Public Service Act 1999
The principal Commonwealth law providing for the establishment and management of the APS.

Purchaser-provider arrangements
Arrangements under which the outputs of an agency are purchased by another agency to contribute to outcomes. Purchaser–provider arrangements can occur between Commonwealth agencies or between Commonwealth agencies and state/territory government or private sector bodies.

Purpose
The objectives, functions or role of the entity or company. In relation to performance management, purposes are the reasons or ideal state or outcomes, for which the entity or company undertakes its activities.

Reference Group
A tripartite stakeholder forum established by the FWO for specific industries or sectors to support engagement, information sharing, education and compliance initiatives, and to provide insights into emerging workplace issues.

Serious contravention
A serious contravention happens when a court finds that a person or business knew they were contravening an obligation under workplace laws or were reckless as to whether the contravention would occur.

Self-report
A self-report is when an employer proactively informs the FWO about a potential or actual breach of workplace laws, such as underpayments or other non-compliance issues. This may involve the employer acknowledging the issue, detailing the extent of the problem, and outlining steps taken or planned to rectify the situation and prevent future occurrences.

Shadow economy
The shadow economy refers to legal and illegal economic activity that is not reported or taxed. The shadow economy is behaviour-driven and is a result of opportunistic or deliberate actions to avoid tax or exploit the regulatory system. Other known terms: black economy or cash economy.

Small business
For the purpose of this report a small business is a business that employs fewer than 20 employees.

Strategic enforcement
Strategic enforcement uses prioritisation and triage as the basis of decision-making. It focuses on interventions that change the behaviours that result in contraventions. Strategic enforcement allows a regulator to use its limited enforcement resources so as to maximise impact by way of proactive activities designed to change a duty holder's behaviour in a positive and sustainable way.

Supply chain
A business can subcontract labour or services. This happens when a business has been contracted to provide labour or services and contracts out the labour or services to another business. This can create a supply chain or contracting network.

Tripartite Advisory Group
An Advisory Group made up of peak employer organisations and worker representatives, established to provide FWO with advice and information relevant to our work assisting the regulated community, with equal representation from worker and business organisations.

Voluntary compliance
The resolution of workplace disputes by parties through cooperation and self-directed action, supported by the FWO's provision of advice, education, tools and resources. It promotes productive and harmonious workplaces, is an efficient use of public resources and is empowering and non-intrusive for the parties involved. This is one of the FWO's main responses to allegations or instances of non-compliance.

Voluntary Small Business Wage Compliance Code (Code)
The Code is a legislative instrument created under the FW Act. Its purpose is to help small business employers avoid criminal prosecution if they didn't intentionally underpay their workers. The FWO can't refer a small business for criminal prosecution under the criminal offence if they can satisfy the FWO that they have complied with the Code.

Vulnerable workers
People who belong to a group which may have a greater risk of vulnerability in understanding and receiving their workplace rights and entitlements

Abbreviations and acronyms

ACF	Agency Consultative Forum
AFP	Australian Federal Police
ANAO	Australian National Audit Office
APS	Australian Public Service
ATO	Australian Taxation Office
CAF	Cleaning Accountability Framework
CDPP	Commonwealth Director of Public Prosecutions
C&E	compliance and enforcement
CFMEU	Construction, Forestry and Maritime Employees Union
CN	compliance notice
CPD	continuing professional development
DEWR	Department of Employment and Workplace Relations
DFAT	Department of Foreign Affairs and Trade
EAS	Employer Advisory Service
EU	enforceable undertaking
FOI	freedom of information
FOI Act	*Freedom of Information Act 1982*
FW Act	*Fair Work Act 2009*
FWC	Fair Work Commission
FWO	Fair Work Ombudsman
GST	goods and services tax
IN	infringement notice
IPS	Information Publication Scheme
KMP	key management personnel
KPI	key performance indicator
MOU	memorandum of understanding
NES	National Employment Standards
OAIC	Office of the Australian Information Commissioner
PACT	Pay and Conditions Tool
PALM	Pacific Australia Labour Mobility
PBS	Portfolio Budget Statement
PIA	Privacy Impact Assessment
RfA	request for assistance
SES	Senior Executive Service
SME	small and medium enterprises
WHS	work health and safety

List of requirements

PGPA Rule Reference	Part of Report	Description	Requirement	Page/s
17AD(g)	**Letter of transmittal**			
17AI	Letter of transmittal	A copy of the letter of transmittal signed and dated by accountable authority on date final text approved, with statement that the report has been prepared in accordance with section 46 of the Act and any enabling legislation that specifies additional requirements in relation to the annual report.	Mandatory	i
17AD(h)	**Aids to access**			
17AJ(a)	Contents	Table of contents (print only).	Mandatory	ii
17AJ(b)	Index	Alphabetical index (print only).	Mandatory	152
17AJ(c)	Glossary; Abbreviations and acronyms	Glossary of abbreviations and acronyms.	Mandatory	139–142
17AJ(d)	List of requirements	List of requirements.	Mandatory	144–149
17AJ(e)	Contact	Details of contact officer.	Mandatory	158
17AJ(f)	Contact	Entity's website address.	Mandatory	158
17AJ(g)	Distribution	Electronic address of report.	Mandatory	158
17AD(a)	**Review by accountable authority**			
17AD(a)	Message from the Ombudsman	A review by the accountable authority of the entity.	Mandatory	viii–ix
17AD(b)	**Overview of the entity**			
17AE(1)(a)(i)	Outcomes and planned performance	A description of the role and functions of the entity.	Mandatory	02
17AE(1)(a)(ii)	Agency structure	A description of the organisational structure of the entity.	Mandatory	03
17AE(1)(a)(iii)	Outcomes and planned performance	A description of the outcomes and programmes administered by the entity.	Mandatory	02
17AE(1)(a)(iv)	Annual Performance Statement 2025–26	A description of the purposes of the entity as included in corporate plan.	Mandatory	06
17AE(1)(aa)(i)	Letter of transmittal	Name of the accountable authority or each member of the accountable authority.	Mandatory	i
17AE(1)(aa)(ii)	Letter of transmittal	Position title of the accountable authority or each member of the accountable authority.	Mandatory	i
17AE(1)(aa)(iii)	Agency structure	Period as the accountable authority or member of the accountable authority within the reporting period.	Mandatory	03
17AE(1)(b)	N/A	An outline of the structure of the portfolio of the entity.	Portfolio departments mandatory	n/a

PGPA Rule Reference	Part of Report	Description	Requirement	Page/s
17AE(2)	N/A	Where the outcomes and programs administered by the entity differ from any Portfolio Budget Statement, Portfolio Additional Estimates Statement or other portfolio estimates statement that was prepared for the entity for the period, include details of variation and reasons for change.	If applicable, Mandatory	n/a
17AD(c)	**Report on the Performance of the entity**			
	Annual performance statements			
17AD(c)(i); 16F	Annual Performance Statement 2025–26	Annual performance statement in accordance with paragraph 39(1)(b) of the Act and section 16F of the Rule.	Mandatory	06–23
17AD(c)(ii)	**Report on Financial Performance**			
17AF(1)(a)	Financial Statements	A discussion and analysis of the entity's financial performance.	Mandatory	96–130
17AF(1)(b)	Agency Resource Statement 2025–26	A table summarising the total resources and total payments of the entity.	Mandatory	134
17AF(2)	N/A	If there may be significant changes in the financial results during or after the previous or current reporting period, information on those changes, including: the cause of any operating loss of the entity; how the entity has responded to the loss and the actions that have been taken in relation to the loss; and any matter or circumstances that it can reasonably be anticipated will have a significant impact on the entity's future operation or financial results.	If applicable, Mandatory.	n/a
17AD(d)	**Management and Accountability**			
	Corporate Governance			
17AG(2)(a)	Letter of transmittal	Information on compliance with section 10 (fraud and corruption systems)	Mandatory	i
17AG(2)(b)(i)	Letter of transmittal	A certification by accountable authority that fraud and corruption risk assessments have been conducted and fraud and corruption control plans have been prepared.	Mandatory	i
17AG(2)(b)(ii)	Letter of transmittal	A certification by accountable authority that appropriate mechanisms for preventing, detecting incidents of, investigating or otherwise dealing with, and recording or reporting fraud and corruption that meet the specific needs of the entity are in place.	Mandatory	i
17AG(2)(b)(iii)	Letter of transmittal	A certification by accountable authority that all reasonable measures have been taken to deal appropriately with fraud and corruption relating to the entity.	Mandatory	i
17AG(2)(c)	Corporate governance	An outline of structures and processes in place for the entity to implement principles and objectives of corporate governance.	Mandatory	82–85
17AG(2)(d) – (e)	N/A	A statement of significant issues reported to Minister under paragraph 19(1)(e) of the Act that relates to non-compliance with Finance law and action taken to remedy non-compliance.	If applicable, Mandatory	n/a
	Audit Committee			
17AG(2A)(a)	Audit and Risk Committee	A direct electronic address of the charter determining the functions of the entity's audit committee.	Mandatory	83
17AG(2A)(b)	Audit and Risk Committee	The name of each member of the entity's audit committee.	Mandatory	84
17AG(2A)(c)	Audit and Risk Committee	The qualifications, knowledge, skills or experience of each member of the entity's audit committee.	Mandatory	84

PGPA Rule Reference	Part of Report	Description	Requirement	Page/s
17AG(2A)(d)	Audit and Risk Committee	Information about the attendance of each member of the entity's audit committee at committee meetings.	Mandatory	84
17AG(2A)(e)	Audit and Risk Committee	The remuneration of each member of the entity's audit committee.	Mandatory	84
	External Scrutiny			
17AG(3)	External scrutiny	Information on the most significant developments in external scrutiny and the entity's response to the scrutiny.	Mandatory	86–87
17AG(3)(a)	Judicial decisions or administrative reviews	Information on judicial decisions and decisions of administrative tribunals and by the Australian Information Commissioner that may have a significant effect on the operations of the entity.	If applicable, mandatory	87
17AG(3)(b)	Reports to the Commonwealth Ombudsman	Information on any reports on operations of the entity by the Auditor General (other than report under section 43 of the Act), a Parliamentary Committee, or the Commonwealth Ombudsman.	If applicable, mandatory	86
17AG(3)(c)	N/A	Information on any capability reviews on the entity that were released during the period.	If applicable, mandatory	n/a
	Management of Human Resources			
17AG(4)(a)	Workforce management	An assessment of the entity's effectiveness in managing and developing employees to achieve entity objectives.	Mandatory	74–75
17AG(4)(aa)	Workforce demographics	Statistics on the entity's employees on an ongoing and non-ongoing basis, including the following: (a) statistics on full-time employees; (b) statistics on part-time employees; (c) statistics on gender; (d) statistics on staff location.	Mandatory	68–73
17AG(4)(b)	Workforce demographics	Statistics on the entity's APS employees on an ongoing and non-ongoing basis; including the following: Statistics on staffing classification level; Statistics on full-time employees; Statistics on part-time employees; Statistics on gender; Statistics on staff location; Statistics on employees who identify as Indigenous.	Mandatory	68–73
17AG(4)(c)	Remuneration and employment conditions	Information on any enterprise agreements, individual flexibility arrangements, Australian workplace agreements, common law contracts and determinations under subsection 24(1) of the *Public Service Act 1999*.	Mandatory	77
17AG(4)(c)(i)	Remuneration and employment conditions	Information on the number of SES and non SES employees covered by agreements etc identified in paragraph 17AG(4)(c).	Mandatory	77
17AG(4)(c)(ii)	Remuneration and employment conditions	The salary ranges available for APS employees by classification level.	Mandatory	78–79
17AG(4)(c)(iii)	Remuneration and employment conditions	A description of non-salary benefits provided to employees.	Mandatory	78–79
17AG(4)(d)(i)	N/A	Information on the number of employees at each classification level who received performance pay.	If applicable, mandatory	n/a
17AG(4)(d)(ii)	N/A	Information on aggregate amounts of performance pay at each classification level.	If applicable, mandatory	n/a

PGPA Rule Reference	Part of Report	Description	Requirement	Page/s
17AG(4)(d)(iii)	N/A	Information on the average amount of performance payment, and range of such payments, at each classification level.	If applicable, mandatory	n/a
17AG(4)(d)(iv)	N/A	Information on aggregate amount of performance payments.	If applicable, mandatory	n/a
	Assets Management			
17AG(5)	N/A	An assessment of effectiveness of assets management where asset management is a significant part of the entity's activities.	If applicable, mandatory	n/a
	Purchasing			
17AG(6)	Performance assessment against the Commonwealth Procurement Rules	An assessment of entity performance against the Commonwealth Procurement Rules.	Mandatory	90
	Reportable consultancy contracts			
17AG(7)(a)	Reportable consultancy contracts	A summary statement detailing the number of new reportable consultancy contracts entered into during the period; the total actual expenditure on all such contracts (inclusive of GST); the number of ongoing reportable consultancy contracts that were entered into during a previous reporting period; and the total actual expenditure in the reporting period on those ongoing contracts (inclusive of GST).	Mandatory	90
17AG(7)(b)	Reportable consultancy contracts	A statement that 'During [reporting period], [specified number] new reportable consultancy contracts were entered into involving total actual expenditure of $[specified million]. In addition, [specified number] ongoing reportable consultancy contracts were active during the period, involving total actual expenditure of $[specified million].'	Mandatory	90
17AG(7)(c)	Reportable consultancy contracts	A summary of the policies and procedures for selecting and engaging consultants and the main categories of purposes for which consultants were selected and engaged.	Mandatory	90
17AG(7)(d)	Reportable consultancy contracts	A statement that 'Annual reports contain information about actual expenditure on reportable consultancy contracts. Information on the value of reportable consultancy contracts is available on the AusTender website.'	Mandatory	90
	Reportable non-consultancy contracts			
17AG(7A)(a)	Reportable non-consultancy contracts	A summary statement detailing the number of new reportable non-consultancy contracts entered into during the period; the total actual expenditure on such contracts (inclusive of GST); the number of ongoing reportable non-consultancy contracts that were entered into during a previous reporting period; and the total actual expenditure in the reporting period on those ongoing contracts (inclusive of GST).	Mandatory	91
17AG(7A)(b)	Reportable non-consultancy contracts	A statement that 'Annual reports contain information about actual expenditure on reportable non-consultancy contracts. Information on the value of reportable non-consultancy contracts is available on the AusTender website.'	Mandatory	91
17AD(daa)	**Additional information about organisations receiving amounts under reportable consultancy contracts or reportable non-consultancy contracts**			

PGPA Rule Reference	Part of Report	Description	Requirement	Page/s
17AGA	Reportable consultancy contracts; Reportable non-consultancy contracts	Additional information, in accordance with section 17AGA, about organisations receiving amounts under reportable consultancy contracts or reportable non-consultancy contracts.	Mandatory	91
	Australian National Audit Office Access Clauses			
17AG(8)	Australian National Audit Office clauses	If an entity entered into a contract with a value of more than $100 000 (inclusive of GST) and the contract did not provide the Auditor General with access to the contractor's premises, the report must include the name of the contractor, purpose and value of the contract, and the reason why a clause allowing access was not included in the contract.	If applicable, mandatory	92
	Exempt contracts			
17AG(9)	N/A	If an entity entered into a contract or there is a standing offer with a value greater than $10 000 (inclusive of GST) which has been exempted from being published in AusTender because it would disclose exempt matters under the FOI Act, the annual report must include a statement that the contract or standing offer has been exempted, and the value of the contract or standing offer, to the extent that doing so does not disclose the exempt matters.	If applicable, mandatory	n/a
	Small business			
17AG(10)(a)	Procurement initiatives to support small and medium businesses	A statement that '[Name of entity] supports small business participation in the Commonwealth Government procurement market. Small and Medium Enterprises (SME) and Small Enterprise participation statistics are available on the Department of Finance's website.'	Mandatory	90
17AG(10)(b)	Procurement initiatives to support small and medium businesses	An outline of the ways in which the procurement practices of the entity support small and medium enterprises.	Mandatory	90
17AG(10)(c)	N/A	If the entity is considered by the Department administered by the Finance Minister as material in nature – a statement that '[Name of entity] recognises the importance of ensuring that small businesses are paid on time. The results of the Survey of Australian Government Payments to Small Business are available on the Treasury's website.'	If applicable, mandatory	n/a
	Financial Statements			
17AD(e)		Inclusion of the annual financial statements in accordance with subsection 43(4) of the Act.	Mandatory	100–130
	Executive Remuneration			
17AD(da)	Executive remuneration	Information about executive remuneration in accordance with Subdivision C of Division 3A of Part 2 3 of the Rule.	Mandatory	78–79

PGPA Rule Reference	Part of Report	Description	Requirement	Page/s
17AD(f)	**Other Mandatory Information**			
17AH(1)(a)(i)	Advertising and market research	If the entity conducted advertising campaigns, a statement that 'During [reporting period], the [name of entity] conducted the following advertising campaigns: [name of advertising campaigns undertaken]. Further information on those advertising campaigns is available at [address of entity's website] and in the reports on Australian Government advertising prepared by the Department of Finance. Those reports are available on the Department of Finance's website.'	If applicable, mandatory	92
17AH(1)(a)(ii)	N/A	If the entity did not conduct advertising campaigns, a statement to that effect.	If applicable, mandatory	n/a
17AH(1)(b)	N/A	A statement that 'Information on grants awarded by [name of entity] during [reporting period] is available at [address of entity's website].'	If applicable, mandatory	n/a
17AH(1)(c)	Disability reporting	Outline of mechanisms of disability reporting, including reference to website for further information.	Mandatory	76
17AH(1)(d)	Information Publication Scheme	Website reference to where the entity's Information Publication Scheme statement pursuant to Part II of FOI Act can be found.	Mandatory	86
17AH(1)(e)	Corrections	Correction of material errors in previous annual report.	If applicable, mandatory	150
17AH(2)	Reporting on specific legislation	Information required by other legislation.	Mandatory	138

Corrections

Enterprise Agreement figures reported in the Employment Arrangements table were understated as a result of employees with Individual Flexibility Arrangements (IFAs) incorrectly not included. As IFAs are enabled under clauses 10–15 of the Enterprise Agreement, they do not constitute a separate employment arrangement category. The corrected figures are reflected in Table 29 of this report.

Reference of Table 16 from 2024–25 Annual Report: Employee workplace agreements, common law contracts, and individual flexibility arrangements by classification, as at 30 June 2025.

Classification	2025 Enterprise Agreement	2024 Enterprise Agreement	2025 Common law contract	2024 Common law contract	2025 Individual flexibility arrangement	2024 Individual flexibility arrangement	2025 total	2024 total
SES Band 2	0	0	4	4	0	0	**4**	**4**
SES Band 1	0	2	15	10	0	0	**15**	**12**
EL 2	57	53	0	0	5	6	**62**	**59**
EL 1	161	152	0	0	5	2	**166**	**154**
APS 6	248	228	0	0	0	0	**248**	**228**
APS 5	348	319	0	0	0	0	**348**	**319**
APS 4	116	113	0	0	0	0	**116**	**113**
APS 3	102	106	0	0	0	0	**102**	**106**
APS 2	1	1	0	0	0	0	**1**	**1**
APS 1	0	0	0	0	0	0	**0**	**0**
Total	**1033**	**974**	**19**	**14**	**10**	**8**	**1062**	**996**

Table 29: Table 16 from 2024–25 Annual Report corrected

Classification	2025 Enterprise Agreement	2024 Enterprise Agreement	2025 Common law contract	2024 Common law contract	2025 Individual flexibility arrangement	2024 Individual flexibility arrangement	2025 total	2024 total
SES Band 2	0	0	4	4	0	0	**4**	**4**
SES Band 1	0	2	15	10	0	0	**15**	**12**
EL 2	62	59	0	0	5	6	**62**	**59**
EL 1	166	154	0	0	5	2	**166**	**154**
APS 6	248	228	0	0	0	0	**248**	**228**
APS 5	348	319	0	0	0	0	**348**	**319**
APS 4	116	113	0	0	0	0	**116**	**113**
APS 3	102	106	0	0	0	0	**102**	**106**
APS 2	1	1	0	0	0	0	**1**	**1**
APS 1	0	0	0	0	0	0	**0**	**0**
Total	**1043**	**982**	**19**	**14**	**10**	**8**	**1062**	**996**

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