



24 February 2026

Wages must keep up with inflation and recognise the true value of teachers and school staff

Inflation is again on the upturn and is [eroding real incomes](#), leaving teachers, principals and support staff being asked to do more while effectively earning less.

To rebuild a sustainable education workforce, wages must not only recognise the complexity and value of the work - they must also ensure that education professionals don't fall behind as living costs accelerate.

Following a brief respite of real wage growth between 2023 and 2025, inflation is once again [outpacing wages](#). The headline inflation rate of 3.8% now exceeds average wage growth of 3.4%. These national averages also mask sharper cost of living pressures in [some areas](#), in Brisbane CPI surged to 5.2% and Perth recorded a 4.4% increase.

The one bright spot with respect to pay, especially relevant to IEU members, is the continued wage premium [won by union members](#). Union agreements deliver wages well in excess of non-union deals, representing a direct financial benefit of around \$1130 per year.

The Reserve Bank forecasts that real wages will continue to lag behind inflation until mid-2027:

	Dec 2025	June 2026	Dec 2026	June 2027	Dec 2027
Wage Price Index	3.4	3.1	3.1	3.1	3.1
Consumer Price Index	3.6	4.2	3.6	2.9	2.7

Reserve Bank of Australia, Nov 2025 Monetary Policy Statement, Credit: [Workplace Express](#)

We know that a high-quality education system is underpinned by pay and conditions that attract and retain a high-quality workforce. IEU members can't afford to return to the dark days of severe real wage cuts which peaked in 2022.

Workplace [reforms](#) introduced by the federal ALP government have helped level the bargaining playing field and improve the capacity of IEU members to secure decent pay rises.

This momentum must continue. Now more than ever, we need wage outcomes that keep pace with rising costs and recognise the essential work of IEU members. Our union will campaign in every workplace and in every bargaining round to ensure school staff are not left behind.