

Senate Standing Committee on Environment and Communications

Answers to Senate Estimates Questions on Notice

Budget Estimates May 2017

Communications Portfolio

NBN Co Ltd

Question No: 217

NBN Co Ltd

Hansard Ref: Page 110-111, 25/05/2017

Topic: Governments bargaining framework

Senator Dastyari, Sam asked:

Senator DASTYARI: Minister, can you take on notice how the 10.1 per cent growth and the 8.6 per cent growth are consistent with the government's bargaining framework. I just want to check. Yesterday you said in evidence you have given that you had written to Australia Post and to ABC regarding the government's bargaining policy.

Senator Fifield: That was to remind them of the bargaining policy.

Senator DASTYARI: Have you ever written to NBN Co about the policy?

Senator Fifield: Let me check that.

Answer:

nbn CEO Bill Morrow has explained that Mr Rousellot's remuneration was varied to reflect a change of duties that justified a higher remuneration. The Australian Public Service Commissioner has confirmed that this is regular business practice and would not be counted against the 2 per cent parameters of the bargaining policy.

The Commissioner has indicated that the Government's bargaining framework is concerned with agency-wide outcomes. There is scope within remuneration arrangements at an agency for some employees to receive higher pay increases and others lower, as long as the base remuneration outlay does not exceed an average of 2 per cent per annum when calculated across the agency.

I am advised that the APS Commissioner approved nbn's non-executive remuneration arrangements on 24 April 2015. Executive remuneration was not part of the Commissioner's direct approval given those arrangements are an agency responsibility under the Policy. However, I am advised that nbn's remuneration policy applies to all nbn employees on individual contracts, including senior executives.

In 2015 nbn's remuneration policy allowed for an average remuneration pool increase of 4.5 per cent over a three year period for non-Enterprise Bargaining Agreement staff. This later became 6 per cent (over three years) in line with the change to other nbn remuneration arrangements following an update to the Government's policy in November 2015.

The former Minister for Communications, the Hon Malcolm Turnbull MP, wrote to NBN Co Limited notifying the company of the Australian Government Public Sector Workplace Bargaining Policy.