

**Senate Standing Committee on Economics**

**ANSWERS TO QUESTIONS ON NOTICE**

**Treasury Portfolio**

Additional Estimates

26 February 2014

**Question: AET 1832**

**Topic: Pay Rises - AOFM**

**Written: 7 March 2014**

**Senator BUSHBY asked:**

1832 - 1. I refer to the CPSU proposal for a pay rise of 12% over three years or 4% a year – double the rate of inflation forecast in the mid-year budget update released in December. If your agency had to implement this pay rise, what risk is there that this may mean a loss of jobs?

1832 - 2. Given that pay rises are ordinarily required to be linked to productivity improvements, do you see scope for 12% productivity improvements in your agency over the next four years? If so, what are the main productivity-enhancing measures or savings that different stakeholders have put forward?

1832 - 3. Has the CPSU or other employee representative groups proposed productivity measures or other form of savings to offset wage rises?

**Answer:**

1832. Proposals for wage increases and productivity improvements are a matter for bargaining. As bargaining has not commenced, it would not be appropriate to comment at this time.