

Senate Standing Committee on Economics

ANSWERS TO QUESTIONS ON NOTICE

Treasury Portfolio

Additional Estimates

26 February 2014

Question: AET 1704

Topic: Pay Rises

Written: 7 March 2014

Senator BUSHBY asked:

- 1704.
- a) I refer to the CPSU proposal for a pay rise of 12 per cent over three years or four per cent 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 may mean a loss of jobs?
 - b) Given that pay rises are ordinarily required to be linked to productivity improvements, do you see scope for 12 per cent productivity improvements in your agency over the next four years? If so, what are the main productivity-enhancing measures of savings that different stakeholders have put forward?
 - c) Has the CPSU or other employee representative groups proposed productivity measures or other forms of savings to offset wage rises?

Answer:

- 1704.
- a) The CPSU proposal for a 12 per cent pay rise is an ambit APS-wide claim. Implementing any pay rise in excess of productivity measures or savings initiatives may require a loss of jobs.
 - b) Proposals for wage increases and productivity improvements are a matter for bargaining. Bargaining for the next enterprise agreement has not yet commenced, therefore it would not be appropriate to comment at this time.
 - c) Proposals for wage increases and productivity improvements are a matter for bargaining. Bargaining for the next enterprise agreement has not yet commenced, therefore it would not be appropriate to comment at this time.