

Senate Finance and Public Administration Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Prime Minister and Cabinet Portfolio

Australian Public Service Commission

Additional Estimates Hearings 2002-2003, 10-11 February 2003

Question: PM 65

Topic: Australian Public Service Commission's Certified Agreement 2000 - 2003

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Senator Forshaw asked: What was the total cost to the Public Service Commission of the negotiation, settlement and ongoing implementation of its last certified agreement? You might want to take this on notice, because I would like details—full costs of staff, time of those directly involved in the work, travel, printing, consultancies, and any other costs, including the amount of time each staff member would have devoted to consultation, reading documentation and attending meetings, and time spent in implementing the agreement.

Answer: The cost of making the agreement was estimated at the time of the making of the agreement to be in the order of \$218,000 which included the cost of negotiation and settlement.

In drafting and negotiation of the agreement, approximately 65% of a full time Executive Level 1 (EL1) staff member's time and 65% of a full time APS 5/6 staff member's time in the Commission's Human Resources and Workplace Relations area, 25% of a full time EL 1 in the Commission's Legal area, and 10% of the full time SES Band 1 in the Corporate Strategy and Support Group were dedicated during the four months prior to the agreement's certification.

The Commission negotiated the agreement through a consultative committee, made up of those staff indicated above, in addition to three staff representatives, (one at the EL 1, and two at the APS 3/4 level), a Union organiser and two staff union representatives (at the EL 1 level), and three management representatives (Deputy Commissioner and two SES Band 1s). This committee met five times to negotiate the agreement during 1999 and 2000, with the duration of the meetings ranging from 1 hour 30 minutes to 4 hours.

The cost of these meetings is included in the estimated cost above.

Travel costs relating to attendance at five meetings of the Commission's Workplace Relations Committee by representatives from regional offices are estimated to have cost \$2,380. The cost of printing the Agreement was \$5,665. No consultants assisted with the development of the Agreement.

This estimate does not include time of staff members reading the document or attending all staff meetings. This cannot be readily calculated.

There were no significant implementation initiatives as the key changes put into place were contained in the agreement itself.

**Contextual comments for Senate Estimates Committee Questions on Notice
PM65-PM68**

The PSMPC Certified Agreement 2000-2003 was certified by the Australian Industrial Relations Commission (AIRC) in May 2000.

Implementation was reported on in the Commission's 2000/01 Annual Report. This indicated that implementation was progressing smoothly and listed factors contributing to the funding of the Agreement.

The Agreement included the possibility of an additional salary increase from July 2002 if further productivity gains could be identified during the life of the Agreement subject to certain conditions. An annual evaluation of the performance of the Agreement conducted in July 2001 indicated that these gains had been achieved and that further gains were being realised. On that basis the Commission sought to vary the Agreement to provide an additional 1% salary increase. This variation was certified by the AIRC on 8 November 2002.

The evaluation and variation were reported in the Commission's 2001/02 Annual Report.

The Agreement expires in May 2003 and discussions commenced through the Commission's Workplace Relations Committee during 2002 on a successor agreement.