

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 68

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

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Senator Forshaw asked: What are the approximate cash savings arising from each of these measures, and how and when are they to be realised?

Answer:

Productivity measures	3 year saving
3 year Agreement	\$72,687
Abolish Team Recognition and Reward Scheme	\$60,000
Structural Change within the Commission, improved work practices and fostering a more client focussed culture	\$1,890,014
Additional savings	\$83,893
Total	\$3,165,684
	(over 3 years)

All of these productivity measures have been realised.

As budget funding supplementation for salaries (less the efficiency dividend) amounted to about \$375,000 over the three years, these productivity measures more than covered the net cost of the Certified Agreement.

**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.