



Remuneration Tribunal Amendment (There For Public Service, Not Profit) Bill 2025

3 APRIL 2025

Senate Standing Committees on Finance and Public Administration
PO Box 6100
Parliament House
Canberra ACT 2600

By email: fpa.sen@aph.gov.au

Dear Committee Chair

Remuneration Tribunal Amendment (There For Public Service, Not Profit) Bill 2025

As the primary union representing Australian Public Service (APS) employees, the Community and Public Sector Union (CPSU) is committed to providing a strong voice for our members in key public policy and political debates.

The CPSU welcomes the opportunity to make a submission to this Senate inquiry into the Remuneration Tribunal Amendment (There For Public Service, Not Profit) Bill 2025.

While the CPSU has reservations about a statutory limit for the remuneration of departmental secretaries and other office holders as it is a blunt instrument and would be cumbersome to maintain, we agree that far more transparency and accountability is needed. The growing gap between the wages and conditions of APS employees and the Senior Executive Service (SES) is unacceptable.

The CPSU notes the reasoning for determinations by the Remuneration Tribunal is often succinct with limited detail and there is rarely a formal connection with broader public sector wages policy. In contrast, when decisions are made by the Fair Work Commission (FWC) for the Annual Wage Review, it includes a highly detailed report, the FWC must publish all research it undertakes as part of reviews so the public can make submissions on the issues it covers, public hearings are held and submissions published,¹ none of which occur for the Remuneration Tribunal.

With this lack of transparency and accountability, it is no surprise that analysis of APS Remuneration Data going back nearly two decades shows that non-SES median base salaries have only outpaced

¹ Annual Wage Reviews | Fair Work Commission. <https://www.fwc.gov.au/hearings-decisions/major-cases/annual-wage-reviews>. Accessed 18 Mar. 2025.

[Remuneration Tribunal Amendment (There For Public Service, Not Profit) Bill 2025]: CPSU submission

growth in SES median base salaries changes only three times (Table 1). The impact of wage freezes, imposed under the previous Coalition Government under its bargaining policy, exacerbated this growing gap between APS employees and the SES.

Table 1: Median base salary % changes for SES and non-SES (2006-2024)²

| Year | SES | Non-SES | Difference |
|------|------|---------|------------|
| 2006 | 5.1 | 4.1 | 1.0 |
| 2007 | 5.5 | 4.1 | 1.4 |
| 2008 | 5.2 | 4.6 | 0.6 |
| 2009 | 6.2 | 6.4 | -0.2 |
| 2010 | 5.6 | 3.7 | 1.9 |
| 2011 | 4.1 | 2.4 | 1.7 |
| 2012 | 4.7 | 5.9 | -1.2 |
| 2013 | 3.8 | 2.9 | 0.9 |
| 2014 | 0.2 | 0.1 | 0.1 |
| 2015 | 1.4 | 0.1 | 1.3 |
| 2016 | 2.3 | 0.3 | 2.0 |
| 2017 | 2.6 | 2.4 | 0.2 |
| 2018 | 3.8 | 2 | 1.8 |
| 2019 | 3.4 | 1.1 | 2.3 |
| 2020 | -0.1 | 0.8 | -0.9 |
| 2021 | 4.2 | 3 | 1.2 |
| 2022 | 4.0 | 1.7 | 2.3 |
| 2023 | 2.5 | 1.7 | 0.8 |

Change is needed which is why the CPSU supports calls to change the membership of the Remuneration Tribunal and then have it review SES pay.³ In addition, the CPSU also recommends that the Remuneration Tribunal be required to:

- Annually publish a benchmarking report of SES pay and conditions against SES public sector roles in other similar jurisdictions both in Australia and overseas.
- Establish an expert panel that includes key stakeholders to advise on research priorities that can inform determinations made by Remuneration Tribunal.
- Publish all submissions to the Remuneration Tribunal and make available the option of public hearings to improve transparency.

These changes will ensure greater transparency and accountability as the reasoning behind remuneration decisions will need to be justified and be subject to public scrutiny.

The CPSU is happy to provide further information regarding any of the matters raised in this submission and supplementary information on other relevant issues.

² Data from APS Remuneration Reports, <https://www.apsc.gov.au/remuneration-reports>

³ Podger, Andrew. "Are Department Secretaries Paid Too Much? I Suspect They Are." *The Mandarin*, 23 Nov. 2022, <https://www.themandarin.com.au/206496-department-secretaries-paid-too-much/>

[Remuneration Tribunal Amendment (There For Public Service, Not Profit) Bill 2025]: CPSU submission

Sincerely,

Melissa Donnelly
National Secretary
CPSU-PSU Group