

**Senate Standing Committee on Economics**

**ANSWERS TO QUESTIONS ON NOTICE**

**Treasury Portfolio**

Additional Estimates

26 February 2014

**Question: AET 1861**

**Topic: Pay Rises (ABS)**

**Written: 7 March 2014**

**Senator BUSHBY asked:**

1861. 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?
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?
3. Has the CPSU or other employee representative groups proposed productivity measures or other form of savings to offset wage rises?

**Answer:**

1861. 1-3. 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.