

**Senate Finance and Public Administration Legislation Committee**  
**ANSWERS TO QUESTIONS ON NOTICE**  
**ADDITIONAL BUDGET ESTIMATES 2014**

**Prime Minister and Cabinet Portfolio**

**Department/Agency:** Australian Public Service Commission

**Outcome/Program:** 1.1

**Topic:** Voluntary redundancies

**Senator:** Lundy

**Question reference number:** 93

**Type of question:** Written

**Date set by the committee for the return of answer:** 11 April 2014

**Number of pages:** 4

**Question:**

1. How many voluntary redundancies have been granted in the APS since 18 September 2013?
2. What has been the cost of those voluntary redundancies since 18 September 2013?
3. What provision has been made for voluntary redundancies forecast in the forward estimates?
4. How many redundancies under Section 37 of the Public Service Act 1999 have been approved since 18 September 2013?
  - a. What has been the cost of those redundancies?
5. How many voluntary redundancies are planned or have been offered to staff aged over fifty years since 18 September 2013?
6. How many voluntary redundancies have been taken by staff over 50 since 18 September 2013?
  - a. What is the cost of those redundancies?
7. What provision has been made for voluntary redundancies to staff over 50 in the forward estimates?
8. Has the Australian Public Service Commission considered using expenditure on voluntary redundancies to instead fund salary, allowing the retention of staff within the APS?
9. In the Australian Public Service Commission's view will cutting staff reduce services to the public?
10. What processes are being put in place to ensure that all staff offered voluntary redundancies are treated fairly?
11. Were there irregularities in the dismissal of Mr Andrew Metcalfe, Mr Don Russell and Mr Blair Comley? If so what were they? And does this in the Australian Public Service Commission's view constitute fair treatment.
12. What was the justification for removing staff with experience, expertise and corporate knowledge?
  - a. In the view of the Australian Public Service Commission will this be detrimental to the APS.
13. On 22 November last year Senator Abetz addressed the CPSU governing council, where he said that:  
"It is important, and we owe it to union members that there is a professional relationship

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between Government and the leadership of the union movement.

I look forward to the use of telephones and emails and meetings, rather than megaphones. Predetermined positions broadcast publically, lock people in, which makes for headlines and production of adrenalin, but I'm not sure it's conducive for harmonious workplaces. With bargaining for APS agreements due to commence shortly, the Government is well advanced in its consideration of the workplace relations policy settings that will apply to this bargaining round. In the coming weeks, I and the Australian Public Service Commission will communicate details around the new policy and any relevant procedures."

When will the Australian Public Service Commission be given the ability to fulfil the government's promise? When will the government's bargaining position be released to staff?

14. How many agreements is the Australian Public Service Commission responsible for?

a. Is the APSC comfortable that they will be able to re-negotiate this number of agreements by June 2014?

b. Will there be enough time for a fair and robust process?

c. What timeframe would the APSC normally take to undertake this volume of re-negotiations?

15. How long public sector employees have to wait for formal notice of the government's position on their pay and conditions?

16. What is the view of the Australian Public Service Commission on bargaining with individual departments instead of sector wide, and what resources does this use?

17. What is the cost difference in undertaking bargaining through individual departments instead of sector wide? Has a sector wide negotiation been considered?

18. Is the view of the Australian Public Service Commission that public sector employees should have their wages frozen or cut in real terms?

19. In the view of the Australian Public Service Commission, should public servants see their wages depreciate in real terms over the next 3 years, despite increased productivity, significantly less employees, increased workloads, and an environment of job cuts?

**Answer:**

1. When an employee employed under the Public Service Act 1999 is identified as excess to the requirements of the agency and is terminated under section 29(3)(a) of the Act, this type of separation action is known a retrenchment. The Australian Public Service Commission does not differentiate between voluntary and non-voluntary retrenchment.

Between 18 September and 31 December 2013 there have been 695 retrenchments across the Australian Public Service.

2. The Australian Public Service Commission does not collect information on the cost of redundancies across the Australian Public Service (APS).
3. The Department of Finance advise that Australian Public Service (APS) agencies are typically expected to meet the costs of redundancies from within their existing funding.

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4. The Australian Public Service Commissioner has agreed to 72 incentive to retire payments proposed by departments and agencies over the period 18 September 2013 to 19 March 2014.  
  
(a) The overall cost of these retirements was \$10,243,971.
5. When an employee employed under the Public Service Act 1999 is identified as excess to the requirements of the agency and is terminated under section 29(3)(a) of the Act, this type of separation action is known a retrenchment. The Australian Public Service Commission does not differentiate between voluntary and non-voluntary retrenchment.
6. The Australian Public Service Commission does not collect information on the number of retrenchments planned or offered to staff aged over 50.  
  
(a)The Australian Public Service Commission does not collect information on the cost of retrenchments.
7. The Department of Finance advises that Australian Public Service (APS) agencies are typically expected to meet the costs of redundancies from within their existing funding.
8. The Australian Public Service Commission is not responsible for the distribution of Australian Public Service agency funds.
9. The Interim Recruitment Arrangements for the Australian Public Service (APS) have been implemented to support a reduction in the size of the APS without impairing its capacity to support the Government and the Australian community. These arrangements include the provision for APS agencies to advertise vacancies, with the Australian Public Service Commissioner's approval, that are critical to deliver Government priorities where there are no suitable available employees within the APS. Agency heads also retain the flexibility to recruit non-ongoing (temporary and casual) employees to deliver essential services.
10. Voluntary redundancy processes in the Australian Public Service (APS) must be consistent with the APS Values and APS Employment Principles contained in the *Public Service Act 1999*; in particular that the APS acts with integrity, makes fair employment decisions with a fair system of review, and provides workplaces that are free from discrimination, patronage and favouritism. Redundancy processes must also comply with the relevant redundancy and dispute resolution provisions in each APS agency enterprise agreement.
11. The Australian Public Service Commission considers that the terminations of Mr Metcalfe, Dr Russell and Mr Comley met the requirements of the *Public Service Act 1999*.
12. A recommendation to the Governor-General to terminate the appointment of a Secretary is at the Prime Minister's discretion.

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13. The Australian Government Public Sector Workplace Bargaining Policy (the Policy) was released on 28 March 2014.

The Australian Public Service Commissioner met representatives of the Community and Public Sector Union on 28 March 2014 to brief them on the Policy.

Agencies have been making preparations to commence bargaining in the near future. The Australian Public Service Commission is providing advice to agencies on the implementation of the Policy.

14. Under the Australian Government Public Sector Workplace Bargaining Policy each Commonwealth public sector agency is responsible for negotiating its own enterprise agreement. This arrangement is consistent with the long-standing practice of agency bargaining that has operated in the sector since 1996-97.

The Australian Public Service Commission is responsible for negotiating its own enterprise agreement.

15. The Coalition Government released the Australian Government Public Sector Workplace Bargaining Policy on 28 March 2014.

- 16,17 Since 1996-97, bargaining has occurred at the agency level.

The Australian Public Service Commission has not assessed the costs of bargaining.

- 18,19 It has been the long-standing policy of successive governments that wage increases are determined having regard to productivity offsets and what an agency can afford within their existing budget. The Government's workplace bargaining policy continues this approach.