



Government Sector Labour Relations

Shaping a contemporary government sector workforce

Policy

Public Sector Bargaining Framework

Background and context

This Public Sector Bargaining Framework describes the elements of bargaining for public sector industrial agreements.

Public sector industrial agreements cover over 155,000 employees, representing approximately 10.7% of the Western Australian workforce. This Framework identifies workforce priorities for the Western Australian Government, helping parties work towards directing negotiations to secure meaningful improvements for the community and in people's working lives.

Negotiations for public sector industrial agreements require parties to agree on:

- o a wage component, currently set by the Public Sector Wages Policy Statement 2022 (Wages Policy); and
- o conditions, which may apply across the public sector or within individual agencies. Government will be guided by its workforce priorities in considering proposals from employers and unions for new and revised conditions of employment.

This Framework outlines principles relating to negotiations for wages and conditions. This Framework only applies to negotiations for industrial agreements replacing those agreements that expired on or after 9 September 2021.

Approval requirements for public sector bargaining are outlined in [Premier's Circular 2021/03 \(Government Labour Relations Management Framework\)](#).

Statement of Government's workforce priorities

The Government's workforce priorities set a clear, principle-based focus for public sector industrial agreement negotiations. They are intended to encourage negotiating parties to participate in achieving meaningful reforms and improved outcomes for the workforce and the community.

The Government's public sector workforce priorities are:

- a. A preference for direct and permanent public sector employment.
- b. A public sector workforce that can deliver efficient, effective and responsive services to the community.
- c. Fairness and equity in public sector employment.
- d. A diverse public sector workforce.

Negotiated wage outcomes

The Policy provides for wage increases of 2.5% per annum for employees. Additionally, public sector unions can nominate their preference for employees to receive either a one-off \$1,000

sign-on payment, or an additional 0.25% annual wage increase for reforms leading to enhanced efficiency or improved quality of service delivery.

\$1,000 sign-on payment

The \$1,000 sign-on payment is a one-off payment made to all employees covered by an industrial agreement on registration. The sign-on payment does not become part of an employee's base wage and will be calculated on a pro rata basis for part time and casual employees. For casual employees, the sign-on payment will be calculated by averaging the full time equivalent status over the preceding 12 months from the date of registration.

0.25% per annum wage increase for reform

Reform initiatives may include improvements to agency or cross-sector workforce policies, processes or practices. Reforms should be designed to reflect the operational needs of agencies or the public sector generally, and should not be inconsistent with Government's workforce priorities.

To receive the additional 0.25% per annum wage increase, negotiating parties need to demonstrate how a proposed reform initiative will deliver enhanced efficiency or improved quality in service delivery. For instance, Government may consider a proposed reform initiative that supports one or more of the following during the life of the industrial agreement:

- a. increased productivity or lower cost;
- b. reduced timeframes for service delivery;
- c. increased operational flexibility; or
- d. improved performance against, or progress towards achieving, key performance indicators or other established operational or strategic objectives.

Reform initiatives are expected to deliver value to Government. While there is no expectation that value will always be measured in dollar terms, negotiating parties will need to demonstrate the reform can deliver material value relative to the 0.25% per annum wage increase.

Government approved reforms included in a registered industrial agreement will attract a further 0.25% per annum wage increase from the date of registration for all employees covered by the agreement, even if the reform item does not directly affect each employee.

Conditions

Parties can negotiate conditions that are with or without cost. Government will be guided by its workforce priorities in considering proposals from employers and unions for new and revised conditions of employment. Proposals that promote one or more of the workforce priorities are more likely to be supported than proposals without a demonstrable connection to a workforce priority.

Wages Policy requires the cost of negotiated and arbitrated outcomes to be met from within each affected agency's approved salary expense limit.



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