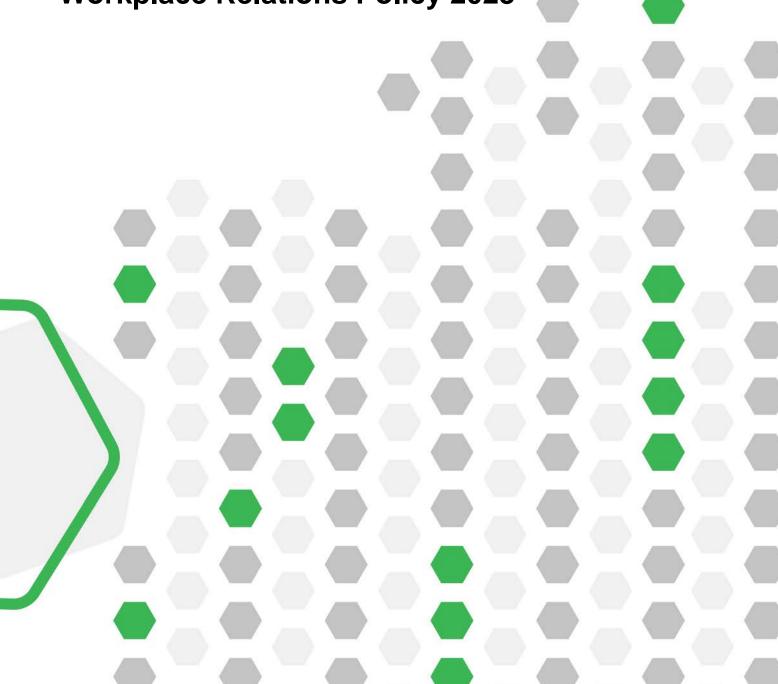


Australian Government

Public Sector Workplace Relations Policy 2023





Summary

The *Public Sector Workplace Relations Policy 2023* (the Policy) sets out the Government's workplace relations policy, as it applies to Government Employment.

It is comprised of <u>two</u> parts:

- Part 1 of the Policy applies to agencies and their employees engaged under the Public Service Act 1999
 (i.e. Australian Public Service (APS) agencies and their employees) and hereafter is referred to as the "APS Policy"; and
- Part 2 applies to other Commonwealth agencies and their employees (i.e. non-APS agencies and their employees) and hereafter is referred to as the "Non-APS Policy").



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Part 1 – APS Policy



Introduction

1. The APS Policy sets out the Australian Government's workplace relations policy as it applies to APS agencies and their employees.

Purpose

- 2. The Government aims to re-establish the public service as a model employer and employer of choice, in order to best facilitate the delivery of essential services to the community.
- 3. The APS Policy also implements the Government's expressed intention to reduce fragmentation of pay and conditions across the APS over time.
- 4. The Government is committed to providing pay increases for APS employees which are underpinned by productivity growth and delivered through fair and genuine negotiations between employers, employees, and unions.
- 5. In the APS, the Government seeks to achieve these objectives through the effective implementation of genuine service-wide bargaining for pay and common conditions.
- 6. The APS Policy recognises that many APS agencies have specific conditions relating to their unique operational circumstances. The APS Policy enables agencies to continue negotiating for agency-level conditions, where necessary, to facilitate the agency's operating model.

Principles and objectives of service-wide bargaining

- 7. Bargaining in the APS will have regard to the Principles and Objectives of APS Bargaining (the Principles).
- 8. The Principles include:
 - a. Being a Model Employer;
 - b. A Unified Commonwealth Public Service;
 - c. Mobility, Attraction and Retention;
 - d. Administrative Efficiency;
 - e. Fairness and Equality; and
 - f. Sustainability.
- 9. A comprehensive statement of the Principles and Objectives for service-wide bargaining as developed in consultation with agencies is at Attachment A.

Coverage and application

- The APS Policy applies to APS agencies and their employees engaged under the Public Service Act 1999 (APS employees).
- The APS Policy applies to the Senior Executive Service (SES) and equivalent employee classifications. These employees will not be covered by agency-level enterprise agreements covering non-SES employees. Agency Heads are responsible for ensuring terms and conditions for SES and equivalent employees are consistent with the APS Policy, including ensuring that pay increases are consistent with the Government's pay offer to non-SES employees.

- **12.** Exemptions to the APS Policy, in whole or part, will only be considered in exceptional circumstances. Such an exemption must be assessed by the Australian Public Service Commission (APSC) and approved by the Minister for the Public Service.
- **13.** Any exemption to the APS Policy must be supported in writing, by the relevant agency's responsible Minister, and approved by the Minister for the Public Service.
- **14.** For the avoidance of doubt, the APS Policy does not cover Government Business Enterprises, which are to refer to clauses 88 to 90 of the Non-APS Policy.
- 15. Where an APS agency has dual staffing powers (that is, they employ employees under the Public Service Act 1999 and legislation other than the *Public Service Act 1999*), and is seeking to cover APS and non-APS employees under the same enterprise agreement, the APS Policy will apply to the negotiation of that enterprise agreement.

Responsibilities and approvals

- **16.** The Australian Public Service Commissioner (APS Commissioner) is responsible for approving and publishing the outcomes of the service-wide bargaining process.
- 17. The APS Commissioner is responsible for the approval of all collective industrial instruments for consistency with the APS Policy. For the avoidance of doubt, this includes those made in response to Machinery of Government changes as determined by the Government from time to time.
- **18.** Agency Heads must provide a draft collective industrial instrument to the APS Commissioner for approval prior to tabling a final version with employees and their representatives.
- **19.** Agency Heads and the APSC are jointly responsible for ensuring that all collective industrial instruments are consistent with relevant legislation, including the *Fair Work Act 2009* (FW Act).

Interaction with the Interim Arrangements

- **20.** The *Public Sector Interim Workplace Arrangements 2022* (the Interim Arrangements) remain in place until 31 August 2023.
- 21. Where an employee is scheduled to receive a pay increase during the operational life of the Interim Arrangements, this pay increase will continue to be paid.
- 22. To the extent of any inconsistency, the APS Policy prevails and revokes the Interim Arrangements, effective 1 September 2023.

Service-wide bargaining in the APS

- 23. Agencies that employ under the *Public Service Act 1999* (PS Act) are to engage in service-wide bargaining for enterprise agreements to cover their non-SES employees.
- **24.** APSC representatives will be appointed as the employer bargaining representatives of all APS agencies and take the lead in negotiating Common Conditions in service-wide bargaining.
- 25. On advice from the APS Commissioner, Agency Heads are to notify employees that enterprise bargaining will commence for their agency-level enterprise agreement on a specified date.



- Agency Heads are also to inform employees that a service-wide negotiation process will be led by the 26. employer bargaining representative (APSC) to establish a set Common Conditions that will apply across the APS.
- Agencies are to appoint APSC representatives as nominated by the APS Commissioner as an employer **27**. bargaining representative for their enterprise agreement, during the course of service-wide negotiations.
- 28. The APSC will publish a list of proposed Common Conditions on its website. Subject to discussion in bargaining and Ministerial approval, the APSC may publish an updated list of Common Conditions from time to time.
- 29. The employer bargaining representative (APSC) will seek to bargain Common Conditions based on the published list.
- 30. The APSC will negotiate in good faith with all unions and bargaining representatives and will respond to claims within a reasonable timeframe via appropriate methods, taking into the account the nature and circumstances of the claim.
- Agencies are to facilitate communication from the APSC with their employees. From time to time, the 31. APSC will communicate directly with APS employees.
- **32.** Agencies are required to assist the APSC with requests for information such as:
 - a. data to support development of proposals;
 - b. data and views to assess claims;
 - c. any other reasonable request from the Chief Negotiator to progress bargaining, including information to be provided to unions and bargaining representatives.
- 33. Agencies will be responsible for receiving and facilitating claims from self-appointed or union bargaining representatives, and providing these to the APSC employer bargaining representative as soon as practicable.
- 34. The APSC may refer claims to agencies where these claims relate to matters that fall outside of the matters being negotiated as Common Conditions. Agencies are required to respond to these matters in good faith, taking into the account the nature and circumstances of the claim.
- **35.** The APSC will provide regular updates to agencies concerning the progress of service-wide bargaining and will seek views from agencies on agency operational requirements during negotiations.
- **36.** At the conclusion of service-wide bargaining, the APSC will release a Statement of Common Conditions (the Statement) as an outcome of negotiations.
- **37**. The Statement will include:
 - a. a list of Common Conditions and negotiated clauses; and
 - b. a list of Common Conditions that have not been agreed to, to be held over for the next round of bargaining.
- 38. The APSC will also provide agencies further policy guidance on implementation of the Statement in agency-level bargaining. This will include guidance on agencies' existing conditions which are above the Common Conditions.

Conditions

- **39.** Agencies are to bargain agreements that incorporate the Common Conditions that have been negotiated as listed in the Statement.
- **40.** The Statement will be published on the APSC website at the conclusion of service-wide bargaining, at a time to be determined by the APSC.
- 41. Exemptions to the Statement may be agreed by the APS Commissioner in exceptional circumstances.
- **42.** Where the parties are unable to reach agreement on a Common Condition in service-wide bargaining, this will be reflected in the Statement of Common Conditions. These conditions will be considered in the next round of service-wide bargaining. Agencies may not agree to any change to these conditions without the approval of the APS Commissioner.
- 43. In considering proposals for clauses 41 and 42, the APS Commissioner will have regard to:
 - a. the impact of the proposal on future commonality of APS terms and conditions;
 - b. the agency's operational requirements;
 - c. the views of unions and other bargaining parties;
 - d. consistency with the APS as a model employer;
 - e. broader community standards.

Agency specific conditions

- **44.** Agencies may bargain conditions which are specific to the unique operational requirements of their agency. Such conditions include:
 - a. allowances for specific operational requirements, for example professional memberships, uniform allowances, tool allowances;
 - b. professional development programs;
 - c. existing entry level and advancement programs;
 - d. specialised hours of work, span of hours, rostering, restriction duty and shiftwork arrangements for particular employee cohorts;
 - e. conditions of work for overseas employees;
 - f. agency specific performance management; and
 - g. emergency response arrangements.
- **45.** Agencies are not to bargain new arrangements which seek to provide an additional pay increase to a cohort of employees outside of a general pay increase, including through paying fringe benefits tax. Existing facilitative provisions may be maintained.
- 46. Facilitative clauses for centrally negotiated terms can be retained, for example consultative committee clauses, agency specific location and accommodation provisions, and flexibility clauses which provide additional entitlement beyond any negotiated common term. The Statement will provide further guidance on facilitation for centrally negotiated clauses. Agencies are not to agree to anything which is inconsistent with the Statement, and no in-principle agreement on such facilitative clauses is to be reached prior to the Statement of Common Conditions being published.
- **47.** Agencies may have clauses which have not been covered by the Common Conditions, but do not fit the 'Agency Level bargaining' matters at clauses 44 and 45.



- 48. If an agency wishes to introduce such a clause, or change an existing clause, this should be discussed with the APSC in the first instance. Approval may be required by the APS Commissioner. An agency is not required to seek approval of the APS Commissioner to remove such a clause.
- 49. For the avoidance of doubt, existing salary-related allowances covered by clause 47 may be increased in line with general remuneration increases, including any applicable adjustment. Existing expenserelated allowances covered by clause 47 may be increased in line with a relevant economic indicator or statistical measure.
- **50.** Agency Heads must ensure that all changes to conditions in enterprise agreements, including agencyspecific clauses and other non-common conditions, are affordable within existing agency budgets, subject to any supplementation provided by the Government to support the effective implementation of the APS Policy.

Remuneration

Agencies are to offer pay increases in proposed enterprise agreements that are consistent with the Commonwealth pay offer or the outcome of service-wide bargaining.

Agencies with common law arrangements

- Notwithstanding clauses 23 to 30, APS agencies which have an established practice of using common law arrangements to provide terms and conditions for employees may continue with such arrangements. Such agencies must consult with employees and the APS Commissioner to explain why it is preferable to not bargain an enterprise agreement.
- **53.** Agencies with common law arrangements in place are to apply any Common Conditions in the Statement through the terms of the arrangement or associated agency policy documents.
- 54. Pay increases provided to employees covered by common law arrangements must be consistent with pay increases provided for employees covered by enterprise agreements.

SES and equivalent employees

- **55.** The APS Policy applies to SES and equivalent employees.
- **56.** SES and equivalent employees, as the key senior leaders in the public service, are not generally covered by enterprise agreements or other collective industrial instruments.
- 57. Generally, SES and equivalent employees are employed on individual arrangements such as common law arrangements or on individual determinations under s24(1) of the PS Act.
- **58.** Any general pay increase for SES and equivalent employees must not exceed what is provided for non-SES employees.
- **59.** Other remuneration principles for SES and equivalent employees are to be consistent with the parameters in the Statement.
- **60.** Workplace arrangements for SES and equivalent employees are not to include provisions which provide a redundancy benefit or similar type of payment to persons whose employment is terminated involuntarily under s.29 of the PS Act.

- Workplace arrangements for SES and equivalent employees will not include retention period arrangements for excess employees.
- **62.** Individual workplace arrangements for SES and equivalent employees are not subject to approval by the Commissioner.
- 63. Agencies must provide the APS Commissioner with information on SES and equivalent employee classifications' remuneration on request.

Other Workplace Relations matters

Industrial disputes

64. Agencies must consult with the APSC in the event of any significant industrial issues at the workplace level, such as emerging or actual industrial action, disputes arising under the terms of an enterprise agreement, or applications for good faith bargaining orders during the conduct of bargaining. This may include, but is not limited to, proceedings before the Fair Work Commission of a collective or significant nature, and protected or unprotected industrial action.

APS-wide Human Resources Policies and Circulars

- From time to time the APSC may provide policies to underpin Common Conditions agreed to at the conclusion of service-wide bargaining. The APSC will seek to consult with agencies before finalising these policies.
- **66.** Agencies are to assist the APSC in consulting with employees and their representatives on these policies.
- **67**. Agencies are to implement finalised policies.
- **68.** Should an agency seek significant variation to such a policy, it must be approved by the APS Commissioner. The APSC is able to provide advice.
- **69.** From time to time the APSC may issue circulars under this APS Policy which deal with matters not considered in service-wide bargaining, or provide guidance or interpretation around the application of Common Conditions or pay.



Part 2 – Non-APS Policy



Introduction

The Non-APS Policy sets out Australian Government Policy as it applies to workplace arrangements with Commonwealth public sector employees employed under legislation other than the Public Service Act 1999 (non-APS employees).

Objectives and agency responsibilities

- The Government aims to re-establish the Commonwealth as a model employer and employer of choice.
- **72.** The Government is committed to providing pay increases to employees which are underpinned by productivity growth and delivered through fair and genuine negotiations between employers, employees, and unions.
- **73.** Non-APS agencies should put in place workplace arrangements that facilitate the delivery of essential government services to the community. Workplace arrangements should provide the operational flexibility required by the agency.
- 74. Workplace arrangements should be simple, clear and easy to read.
- **75.** When formulating proposed workplace arrangements (including adjustments to remuneration and conditions), agencies must have regard to:
 - a. the Commonwealth APS bargaining position or the APS Statement of Common Conditions (when available);
 - b. their relevant modern award;
 - c. the Principles and objectives of non-APS bargaining; and
 - d. the Government's expectations expressed through APSC circulars and APSC guidance documents as issued from time to time.
- Agencies are responsible for ensuring that their workplace arrangements, and workplace relations policies and practices are consistent with the Non-APS Policy and meet all legislative obligations.
- 'Workplace arrangement' means an enterprise agreement, common law arrangements, or a determination made under an agency's relevant enabling legislation.
- **78.** Agencies must consult with the APSC in the event of any significant industrial issues at the workplace level. This may include, but is not limited to, proceedings before the Fair Work Commission of a collective or significant nature, and industrial action.



Model Employer

79. Bargaining conduct and outcomes will reflect best practice and recognise the role of the Government in setting the high standard of employer behaviours it champions. This includes exemplifying model behaviour in bargaining through demonstrated respect for the good faith bargaining requirement in the *Fair Work Act 2009*.

Attraction and Retention

80. Workplace arrangements should assist in attracting and retaining the best and brightest employees to serve the Australian community.

Administrative Efficiency

81. Workplace arrangements should enable increased administrative efficiency in the Commonwealth. This may include increased commonality with the APS.

Fairness and Equity

82. Consideration should be given to how workplace arrangements might contribute to a more inclusive and future-focused Commonwealth workforce.

Sustainability

- **83.** Workplace arrangements need to support the ability of Commonwealth agencies to function efficiently, including by sustaining capacity and capability requirements.
- **84.** Outcomes for agencies and employees will represent fair and fiscally responsible use of taxpayer money, in line with community expectations.

Application

- 85. The Non-APS Policy applies to all non-APS Commonwealth entities, Government Business Enterprises, companies and Members of Parliament Staff (hereafter 'agencies'). The Non-APS Policy does not apply to the Australian Defence Force, the High Court of Australia or agencies that engage staff exclusively in accordance with the *Public Service Act 1999* (APS Agencies) except for Defence Housing Australia.
- 86. Where an APS agency has dual staffing powers (that is, they can employ employees under the *Public Service Act 1999*), the non-APS Policy will apply to non-APS employees employed in those agencies. Where an APS agency with dual staffing powers is seeking to cover APS and non-APS employees under the same enterprise agreement, the APS Policy will apply to the negotiation of that enterprise agreement.
- **87.** The following agencies are encouraged to apply the Non-APS Policy to the extent practicable, commensurate with their commercial and competitive circumstances:
 - a. Government Business Enterprises;
 - b. Public Non-financial Corporations;
 - c. Public Financial Corporations; and
 - d. entities exempt, or partially exempt, from section 22 of the *Public Governance, Performance and Accountability Act 2013* (the Australian National University (ANU), the Australian Broadcasting Corporation (ABC) and Special Broadcasting Service Corporation (SBS)).



- 88. Before commencing negotiations, these agencies and companies are to consult the APSC and provide a summary of their bargaining position.
- 89. These agencies and companies should engage with their portfolio Minister, shareholder Minister (if applicable) and the APSC on matters related to enterprise bargaining, industrial action or the making of other industrial instruments. The separate approval requirements of clauses 90 to 93 do not apply to these entities.

Approval Requirements

- Prior to commencing negotiations for an enterprise agreement or other collective workplace arrangement, agencies must provide their bargaining position to the APSC for assessment against the artefacts listed at clause 75. Agencies must not commence negotiations before approval is provided by the APS Commissioner.
- 91. Approval from the APS Commissioner must be obtained prior to any proposed increases in remuneration or changes to conditions with a financial impact being discussed with employees and/or their representatives. Agency Heads are to provide the APS Commissioner with a signed Funding and Remuneration Declaration, using the template provided by the APSC.
- 92. A draft enterprise agreement, or other collective workplace arrangement, is to be provided to the APS Commissioner for approval prior to the agency tabling its final position with employees and/or their representatives.
- 93. Exemptions to the Non-APS Policy will only be considered in exceptional circumstances. An application for exemption must be assessed by the APSC and is subject to endorsement from the portfolio Minister and approval from the Minister for the Public Service.

Interaction with the Interim Arrangements

- The Interim Arrangements continue to govern pay increases until 31 August 2023.
- 95. Where an employee is scheduled to receive a pay increase during the operational life of the Interim Arrangements, this pay increase will continued to be paid.
- 96. The Non-APS Policy prevails to the extent of any inconsistency with the Interim Arrangements, which are revoked effective 1 September 2023.

Changes to Remuneration and Conditions

- 97. Remuneration and conditions adjustments includes:
 - a. increases to payments made to employees, other than changes to expense-related allowances; and
 - b. changes to conditions resulting in increased employee costs, including changes to classification structures; but
 - c. excludes any payments or changes to conditions advised by the APSC.
- 98. Agencies may make remuneration and conditions adjustments within Government parameters, as advised by the APSC.

- Changes to remuneration and conditions are to be affordable and funded from within existing agency budgets, without the redirection of programme funding. Remuneration and conditions adjustments are not to be funded through reductions in output or services, or increases in fees, charges, levies, or similar income sources beyond ordinary indexing practices.
- **100.** Remuneration increases are to apply prospectively.
- 101. Remuneration and conditions adjustments for SES equivalent employees covered by individual arrangements are to be consistent with the Non-APS Policy. The approval of the APS Commissioner is not required, however agencies are to provide the APS Commissioner with information on SES equivalent employee remuneration on request.

Workplace arrangements

- 102. Agencies should implement workplace arrangements that enable sustainable, high performing public sector workplaces, and encourage principles that respect and facilitate the role of employee representatives, workplace union delegates, and other union officials.
- 103. Workplace arrangements must not allow for the cashing out of personal/carers' leave.
- 104. Long service leave (LSL) must only be granted in blocks of at least seven calendar days at full pay or half pay, per occasion. LSL is not to be broken by other forms of leave unless required by legislation.
- 105. Workplace arrangements should facilitate support for the release of Defence Reservists for peacetime training and development.
- 106. Workplace arrangements are to incorporate family and domestic violence support. Agencies are encouraged to provide the maximum support available for employees affected by family and domestic violence, noting the privacy and safety of impacted employees is paramount.
- 107. Non-APS agencies are encouraged to recognise paid personal leave accruals where an employee moves to a non-APS agency from an APS agency or other Commonwealth entity.
- 108. Workplace arrangements should not enhance existing redundancy, redeployment and reduction entitlements. To avoid double-dipping on redundancy entitlements, workplace arrangements should include a mechanism that will reduce a retention period by the equivalent number of weeks that an eligible employee would be entitled to under the National Employment Standards (NES).
- **109.** Workplace arrangements should not reduce ordinary hours of work.



Enterprise agreements

- 110. Non-APS agencies are encouraged to bargain with their non-SES (or equivalent) employees to replace enterprise agreements past their nominal expiry date.
- 111. Agencies must not put in place determinations in lieu of bargaining for a collective agreement. The APS Commissioner may approve determinations being made in special circumstances.
- 112. Enterprise agreements are to be 3 years in duration. Approval for an enterprise agreement of a shorter duration may be sought from the APS Commissioner.
- 113. Non-APS agencies are encouraged to incorporate the APS Common Conditions (once available) where practicable.
- 114. Genuine and effective consultation with employees and relevant unions is sound management practice. It fosters a positive and inclusive workplace culture, where the views of employees are considered and taken into account before decisions that substantially impact them are made or implemented.
- 115. Enterprise agreements are to include at least the model consultation term prescribed by the Fair Work Regulations 2009, or equivalent. Agencies should implement arrangements that go beyond the model consultation term, noting that agencies are not required to do anything that would be inconsistent with their legal obligations (for example ensuring they comply with privacy laws).
- 116. Enterprise agreements must include individual flexibility terms providing flexibility in respect of the matters listed in the model term in the Fair Work Regulations 2009, plus remuneration.
- 117. Enterprise agreements must include the model dispute resolution term or equivalent, prescribed by the Fair Work Regulations 2009. Agencies should be cautious in considering any proposal to broaden the scope of the dispute resolution clause beyond matters that arise under their enterprise agreement and the NES.
- 118. An employee is not to advance through a classification or broadband pay scale if they have not achieved at least a satisfactory level of performance.
- 119. Agencies must not increase superannuation contribution rates beyond the default Commonwealth superannuation fund rate under the Public Sector Superannuation Accumulation Plan (currently 15.4 per cent).
- 120. Agencies may amend the employer contribution method of superannuation calculation to Ordinary Time Earnings, consistent with contemporary remuneration practices.

Attachment A -

Principles and objectives of service-wide bargaining



Model employer

- 1. Bargaining for pay and other conditions for employees will recognise the APS's core responsibility of developing policy and delivering services on behalf of the Government to the Australian people. Bargaining will support the goals of a more inclusive and diverse workplace, recognising the need for the public service to reflect the community it serves.
- 2. Bargained outcomes will assist the APS in attracting and retaining the best and brightest employees to serve the Australian community.
- 3. Bargaining conduct and outcomes will reflect best practice and recognise the role of the Government in setting the high standard of employer behaviours it champions. This includes exemplifying model behaviour in bargaining through demonstrated respect for the good faith bargaining requirement in the Fair Work Act 2009.
- 4. There will be transparency about the reasons for policy decisions underpinning the development of the workplace relations bargaining policy.

Unified Commonwealth Public Service

- 5. A key goal for service-wide bargaining is progress towards greater commonality of pay and other conditions.
- 6. An initial focus will be on conditions where disparity currently acts as a barrier to employees working flexibly and seamlessly together on delivering the services and policy solutions to the Australian community.
- 7. Sensible alignment of Common Conditions is expected to produce significant productivity, while allowing agencies and their employees to also benefit from targeted agency-level negotiations.
- 8. The Commonwealth is made up of a diverse range of agency employers which may benefit from better alignment of conditions of service.
- 9. Many Commonwealth employees are employed under agency specific enabling legislation (i.e. the 'non-APS'). The non-APS is not in scope for service-wide bargaining in the current bargaining round. Arrangements to cover bargaining in these agencies are being developed in parallel to the service-wide bargaining process.
- 10. Where reasonably practical, service-wide bargaining in the APS will include measures to assist in mobility between the APS and non-APS.

Mobility, Attraction and Retention

- Outcomes in any service-wide approach to bargaining will consider the need to support the attraction, development and retention of an appropriately skilled and experienced workforce. In an evolving and competitive marketplace, the public sector must have a competitive employee value proposition.
- 12. The Commonwealth's bargaining approach must ensure negotiated outcomes reduce barriers to movement between agencies, primarily within the APS, but also across the broader Commonwealth public sector where this is appropriate and desirable.

- 13. To retain skills and attract talent, the public sector must remain competitive as an employer. A core challenge is that while the public sector has historically been a leader in offering flexible working conditions, in a post-COVID environment, it's positioning in this area is under increased competition from large private sector employers. Such pressure is anticipated to increase over time.
- **14.** Entry into Commonwealth employment is entry into a network of potential career pathways, rather than into a single organisation or job role. Outcomes of any service-wide approach to bargaining will focus on reducing barriers to movement both within the APS and throughout the Commonwealth system.
- **15.** Bargaining will also drive the Government's desire for the development of a set of Common Conditions, while still facilitating agency specific requirements, where the unique nature of agency operations or occupations require.
- 16. Over time, bargained outcomes will allow employee candidates to assess different agencies on the suitability of available roles or the type of work performed, rather than different pay and conditions acting as a disincentive to mobility.
- 17. Bargained outcomes are to remove barriers to entry by being future ready and fit for purpose, to enable the attraction of remote and flexible talent.

Administrative Efficiency

- 18. Bargained outcomes will seek to enable increased administrative efficiency in the Commonwealth.
- 19. Bargained outcomes will support the development of the Government Enterprise Resource Planning (GovERP) platform, including by looking to increase commonality in conditions to more effectively enable agencies to adopt common ICT and payroll systems. This will assist in obtaining economies of scale.
- **20.** Bargained outcomes are to facilitate commonalities which reduce the administrative burden of recruitment activities and Machinery of Government changes.
- 21. Bargained outcomes are to result in productivity gains at the service-wide level.
- 22. The Commission will work with agencies to balance service-wide efficiencies with agency-specific operational requirements.

Fairness and Equity

- 23. Bargained outcomes are to seek to reduce fragmentation in pay throughout the Commonwealth public sector. Ensuring simple, standardised pay ranges and conditions linked to equal pay for equal work is good corporate practice.
- 24. Noting that the current state of pay dispersion has occurred over decades, and mindful of current budget pressures, reducing wage dispersion will likely be a gradual process over multiple bargaining rounds.
- 25. From time to time, in-demand occupations will experience heightened remunerative competition. Recognising the labour market constantly evolves, and mindful of the need for longer-term equity, any mechanisms to address short-term fluctuations are to be facilitated through temporary individual flexibilities, rather than embedded in workplace arrangements.
- **26.** Consideration will be given to how bargaining might contribute to a more inclusive and future-focused Commonwealth workforce.



Sustainability

- Enterprise agreements need to support the ability of Commonwealth agencies to function efficiently, including by sustaining capacity and capability requirements.
- 28. Bargained outcomes for agencies and employees will represent fair and fiscally responsible use of taxpayers' money, in line with community expectations.
- 29. Bargained outcomes are to be forward leaning, but in-step with the expectations of the Australian community.
- **30.** Outcomes of service-wide bargaining must deliver for the APS now and into the future.

