

PUBLIC SECTOR, PARITY OF REMUNERATION AND CONDITIONS

195. Mrs EDWARDES to the Minister for Consumer and Employment Protection:

I refer to the Premier's statement when launching the Labor Party's industrial relations direction statement on 22 September 2000 that -

In the public sector where the Government is the employer, workplace agreements will be replaced by enterprise bargaining agreements and award conditions without anyone losing out . . .

- (1) When will the Government ensure that, due to its decision to abolish workplace agreements in the public sector, parity of remuneration and conditions will be achieved so no public servant will lose out?
- (2) When will the Government provide to this House the full cost impact of such parity?
- (3) Did the minister's decision of Monday, 30 July 2001, not discriminate unfairly against those public servants who traded-off conditions for increased wages or received increased wages as a result of increased efficiency and productivity gains?
- (4) Why has the minister deferred indefinitely a wages increase for all public servants and therefore broken another election promise that no-one would be financially worse off under his policy?

Mr KOBELKE replied:

(4) The last question puts forward a supposition that is false.

(3) No.

(1)-(2) We are fulfilling our election promise. The election promise was to treat public servants fairly and equitably, which did not happen under the previous Government. We also gave an undertaking not to use individual contracts in the public sector, with the exception of some very specialised areas, such as chief executive officers. We have to get rid of not only the previous Government's workplace agreements, which caused the disparity, but also its enterprise agreements, which also led to huge disparities. Under those arrangements, employees could be parties to collective agreements, doing the same jobs in different agencies but receiving different salaries.

The supposition put by the member for Kingsley in other questions suggests that the solution is to take the highest possible wage in all bands and lift everyone to that level. We did not promise to do that. Obviously, that would cost huge amounts of money. We gave an undertaking that no individual worker in the public sector would be disadvantaged and that there would be no reduction in salary. We are sticking to that agreement. Some employees have lagged well behind. In extreme cases there was a salary difference of up to 14 per cent between employees in the same situation -

Mrs Edwardes: You have misled the people of this State.

Mr KOBELKE: I am happy to take an interjection.

Mr Barnett interjected.

Mr KOBELKE: Can members opposite stop squabbling and work out who wants to interject. Who would like to interject?

Mr Barnett: You are happy enough. Carry on.

Mr KOBELKE: Back to being Mr Grumpy!

The SPEAKER: Order!

Mr KOBELKE: We gave an undertaking that we would remove that disparity, bring those employees who had been disadvantaged and discriminated against up to the standard everyone else was on, and take all employees forward together with pay increases. We have suggested that we will do that within a three per cent annual salary increase, which is in line with the policy of the previous Government. It is also slightly ahead of the current rate of inflation. We think that is a fair annual increase. We will provide up-front an increase to those employees who have lagged behind, so they can quickly catch up with those who have been paid more. Those employees who have traded off conditions - that is, they are working longer hours for more pay - will continue to receive those higher salaries, but as the salary band passes them, by way of annual increments and other increases, they will convert to the better conditions, maintain the same salaries and receive those salary increases that will be granted each year.

The final package has to be agreed in negotiation with the unions. We have made the up-front administrative payment as a first step - a step of good faith - and we hope to conclude the negotiations with the unions for a

framework agreement so we can look after the public servants in this State and not see them discriminated against and disadvantaged, as was the policy under the previous Government.