



# Mike Baird MP

NSW Treasurer  
Minister for Industrial Relations

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## MEDIA RELEASE

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### **BAIRD VOWS TO MAINTAIN FAIR AND AFFORDABLE WAGES**

NSW Treasurer Mike Baird has reassured taxpayers the Government will maintain control of its employee expenses following Labor's irresponsible decision to undermine the 2.5 per cent wages policy.

"The NSW wages policy is fair and affordable, and we won't be diverted from it by the destructive politics of NSW Labor," Mr Baird said today.

Mr Baird was commenting after the Legislative Council passed a motion, moved by Labor, disallowing a regulation that enabled the Industrial Relations Commission to consider superannuation as part of the 2.5 per cent wages policy.

Following an IRC decision in June, the Government clarified its regulation to remove any ambiguity regarding the IRC's scope in taking into account superannuation increases legislated by Canberra.

"If the current superannuation increase is not absorbed into the existing wages policy, the cost will be an extra \$800 million over the forward estimates, which is the equivalent of 8,000 public sector jobs," Mr Baird said.

"When superannuation was first introduced by Federal Labor they stated clearly that it should be absorbed into wages growth, and this remains their policy," Mr Baird said.

"Indeed, in its submission to Fair Work's annual wage review in March, the Federal Government stated that "the Superannuation Guarantee increases are expected to be absorbed into future wages growth.

"This was equally true of the wages policy NSW Labor introduced in 2007.

"For John Robertson to take the opposite position now is the height of hypocrisy, and is consistent with his fiscal irresponsibility.

"The former Labor Government left this state in a fiscal hole and now it is attempting to do the same thing from beyond the grave – we will not allow this to happen."

Mr Baird said the Government was keeping all options open in response to Labor's move, including legal channels and requiring further savings by departments under the labour expense cap introduced in the 2012-13 Budget.

"Superannuation was defined as an employee-related expense by Labor and therefore has always been within the 2.5 per cent cap," said Mr Baird.

"We will maintain the integrity of the wages policy because it is fair for public sector employees and affordable for the state."

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