20 April 2021

Salary application for 2021

The PSA is just about to lodge our salary application for 2021.

Last year the Government took an opportunity presented by the pandemic to freeze salaries for all public servants. Following the overwhelming call from members to fight the freeze, the PSA pursued a fair increase for members through the NSW Industrial Relations Commission (IRC).

The result was greatly disappointing, with the IRC awarding a miniscule 0.3 per cent increase for public servants, many of whom were on the front line of the fight against the pandemic.

The PSA, with the NSW Nurses Union, appealed through a judicial review the IRC decision for the 2020 wage rise to the Supreme Court of Appeal. This matter was heard before the Full Bench of the Court of Appeal on 24 March 2021, and we are awaiting a decision.

Since last year's case the Government has doubled down on its attack on public servants' pay. The Treasurer, Dominic Perrottet, announced in the state budget late last year that the government would implement a 1.5 per cent salary cap for public servants in 2021.

At the same time, the Government also reaffirmed its commitment to limit the next salary increase for all public servants on multi-year agreements unaffected by last year's case. This will affect our members in Transport for NSW, who are currently negotiating their multi-union award and, next year, our members in schools who are entering the third and final year of their historic pay equity deal.

In line with past practice, the PSA wrote to the Government early this year putting forward our claim, seeking 2.5 per cent for 2021, which is the most we are allowed to seek under the State Government's Regulation on Public Service Pay.

Without responding to our offer, the Government then released a new Wages Policy on 31 March this year in which it confirmed its 1.5 per cent pay cap. The Regulation remains at 2.5 per cent.

Just last weekend, the Government finally responded to our claim with an offer of 1.5 per cent – consisting of just 1.04 per cent in the way of an increase to salaries, with the rest being made up of the 0.5 per cent compulsory increase to superannuation that will be required under Federal legislation.

The PSA will be lodging our application this week for the full 2.5 per cent (2.04 per cent plus 0.5 per cent super increase) allowable under the State Wages Cap Regulation and will probably be heading back to the IRC to fight again for a decent salary increase for members.

Once we have a clearer idea of the landscape ahead, the PSA will be sending members a further bulletin and seeking your views on how to proceed.

As always, the PSA is focused on the interests of our members and will be guided by your views.

AUTHORISED BY STEWART LITTLE, GENERAL SECRETARY,
PUBLIC SERVICE ASSOCIATION OF NSW, 160 CLARENCE STREET SYDNEY