
From: [REDACTED] on behalf of LLOYD, John
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Subject: Workplace Bargaining Policy 2018 [SEC=UNCLASSIFIED]
Attachments: Workplace Bargaining Policy 2018 - Summary.docx

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Colleagues

The Government's Workplace Bargaining Policy 2018 has been released today. It replaces the *Workplace Bargaining Policy 2015*.

A summary of the new policy is attached. A copy of the policy is available on the APSC website.

The policy retains the key elements of the 2015 policy while introducing some additional flexibility to support agencies in modernising their workplace arrangements.

Your agency's nominated Head of Corporate, Chief Negotiator and HR practitioners have been provided with further information regarding the policy.

Regards

John Lloyd PSM | Commissioner

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WORKPLACE BARGAINING POLICY 2018

Summary of the *Workplace Bargaining Policy 2018*

1. The *Workplace Bargaining Policy 2018* was released on 6 February 2018.
2. The *Workplace Bargaining Policy 2018* replaces the *Workplace Bargaining Policy 2015*.
3. The new policy reflects the Government's key objectives for bargaining and workplace relations in the public service. Specifically:
 - a. Enterprise agreements and other workplace arrangements are not to contain restrictive work practices, unduly limit flexibility or otherwise impede workplace reform;
 - b. Remuneration increases are to be modest and affordable;
 - c. Public sector terms and conditions are to be reasonable, reflecting community standards; and
 - d. Freedom of association is to be upheld.
4. The 2018 policy retains the same core elements of the previous policy, ensuring the gains made by agencies in the 2014 bargaining round are maintained. This includes:
 - a. **Wages:** agencies may negotiate increases of up to an average of 2 per cent per annum, paid prospectively, subject to affordability. Remuneration includes all new increases to payments made to employees. Pay structures are not to be modified to provide mechanisms that accelerate salary advancement. Sign-on bonuses are not to be negotiated;
 - b. **Content:** enterprise agreements and other workplace arrangements are not to contain restrictive work practices, unduly limit flexibility or otherwise impede workplace reform. Freedom of association must be respected;
 - c. **Coverage:** the policy applies to all Australian Public Service and non-APS Australian Government entities and Members of Parliament Staff. It does not apply to the Australian Defence Force; and
 - d. **Governance:** the APSC continues to implement and advise on the policy, and the approval of the Commissioner is required at key stages of the process. Agencies are responsible for their own compliance with the policy.

5. New principles are included in the 2018 policy to provide greater flexibility for agencies to address specific operational issues through bargaining. These include:
 - a. **Terms and conditions:** greater flexibility is available to bargain terms and conditions outside of remuneration. Within an overall policy of no enhancement, conditions of employment may be traded in exchange for gains in other areas, subject to prior approval of the APS Commissioner. Certain conditions will not be considered appropriate for trading including, but not limited to, exchange for a higher salary increase, introducing hour-for-hour toil for Executive Level employees and reducing hours of work;
 - b. **Framework:** agencies are more explicitly encouraged to consider a broader range of employment arrangements. This could include greater use of individual arrangements instead of enterprise agreements. This may particularly suit small agencies where bargaining can be resource intensive;
 - c. **Side deals:** side deals with unions, which began to emerge late in the current round, are discouraged. Where an agency considers a side deal is necessary, the APS Commissioner's approval is required before any deal can be made; and
 - d. **Policy application:** Government Business Enterprises and the Reserve Bank of Australia are only required to apply the policy to the extent practicable, and must keep their portfolio Minister and the APSC informed.
6. The policy will apply to workplace relations policies and practices in agencies. Agencies will be responsible for ensuring their policies and practices comply with the policy. Of particular importance are arrangements for right of entry, freedom of association, consultation, dispute resolution and employee representation.
7. Agencies are also responsible for ensuring workplace arrangements meet all legislative obligations.
8. Agencies that did not conclude an enterprise agreement under the 2015 policy will continue to bargain under the 2018 policy.