



Dominic Perrottet

Treasurer

MEDIA RELEASE

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IRC DECISION SUPPORTS JOB CREATION PLAN

The Full Bench of the Industrial Relations Commission of New South Wales today rejected public service union demands to lock in 2.5 per cent pay increases for NSW public servants each year for the next three years.

The Commission instead awarded a reduced one-year pay increase of 0.3 per cent for around 170,000 public sector employees, which it considered more appropriate in the context of a global economic crisis caused by COVID-19, and which has resulted in more than 280,000 people in NSW being out of work.

The NSW Government has already committed to a \$3 billion Infrastructure and Job Acceleration Fund providing direct stimulus into the economy to support and create jobs with the unemployment rate at historic levels.

NSW Treasurer Dominic Perrottet said today's decision supported the Government's intention to prioritise job-creation to reignite our economy.

"This decision is a win for the thousands of people in NSW who have had the security of a job ripped away by a global pandemic, and who are relying on our Government to help get them back into the workforce," Mr Perrottet said.

"For the last nine years, public servants in NSW have received the maximum pay rise of 2.5 per cent but in these circumstances where nearly 90 per cent of NSW workers are in the private sector, many of whom have lost a job or been stood down, the Government needs its focus squarely on rebuilding the economy and regenerating jobs."

"Our complete focus is on keeping people in jobs and creating jobs rather than giving pay-rises at this time.

"Our economy needs stimulus, we need to make every dollar count and the best modelling and advice is that we will get more bang for buck through direct investment, not higher pay packets for public servants."

The Government's submissions in response to the unions' pay claims relied on evidence showing that the maximum economic benefit for NSW would be achieved by investing funds directly into the economy, rather than increasing wages.

Public servants will now receive a fair pay increase, and a wage pause will continue to apply for all Ministers, members of parliament, staffers, public service senior executives and the judiciary.

The NSW Government will make decisions on future pay-rises for public servants based on economic conditions and what is in the best interests of the people of NSW.

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