



Gladys Berejiklian

Premier of NSW

Dominic Perrottet

Treasurer

MEDIA RELEASE

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PAY BOOST FOR PUBLIC SECTOR WORKERS

Hospital workers, paramedics and police who helped fight the pandemic are among the public sector workers who will receive a significant wage increase of up to 2.5 per cent in response to NSW's economic rebound from COVID-19.

The financial 'thank you' will come into effect for all public sector workers due to be renewed from 1 July 2021.

This change in the Government's wages policy is forecast to cost approximately \$2.7 billion over the four-year forward estimates.

This increase is significantly above current private sector wage growth, with most recent figures trending at 1.7 per cent for the sector that employs the vast majority of workers in NSW.

Premier Gladys Berejiklian said the Government's decision to boost pay came on the back of renewed confidence in the NSW economy following a year in which the country experienced its first recession in a generation severest post-war recession.

"The pandemic has meant making sacrifices and difficult decisions. This included wage restraint during the worst of the crisis," Ms Berejiklian said.

"We put all of our financial strength into protecting people, providing economic stimulus and boosting job-creating programs. The economy is back growing and we are now able to give a wage increase to government workers and their families.

"I would like to thank all of our public servants for the work they have done in protecting the people of NSW over the past 18 months."

Treasurer Dominic Perrottet said while the NSW economy had rebounded, the impact of COVID-19 was still being felt.

"We have committed more than \$29 billion in support and stimulus measures to support the economy during the pandemic," Mr Perrottet said.

"Last year's reduction in pay rises was a tough decision, but everyone remembers the very confronting scenes from last year of people lined up outside Centrelink, by making

that decision we were able to protect and boost jobs when needed to.”

The NSW Industrial Relations Commission (IRC) awarded most public servants a wage increase of 0.3 per cent in October last year in the midst of the pandemic.

After spiking to just over 7 per cent, the NSW unemployment rate now sits at 5.0 per cent with the Australian unemployment rate at 5.1 per cent.

Mr Perrottet said NSW has regained more than the 270,000 jobs that had been lost during the pandemic and the recovery in the economy is well underway.

“We know there is still a lot more to do and we will continue to support people and businesses with a strong focus on productivity growth and reform,” Mr Perrottet said.

“We weathered the storm and after a pandemic induced pause we can return to a fiscally responsible policy.”

The NSW Government’s policy of up to 2.5 per cent remuneration increases was introduced in 2011.

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