

Hon Chris Hipkins
Minister for the Public Service

Government Workforce Policy Statement for the Public Sector

Date of Issue: 8 July 2021

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SWC-21-MIN-0039 – Government Workforce Policy Statement for
the Public Sector

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This is a suite of documents released in part by the Hon Chris Hipkins, Minister for the Public Service that has informed the Government's proactive release of information policy.



Cabinet Social Wellbeing Committee

Minute of Decision

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Government Workforce Policy Statement for the Public Sector

Portfolio **Public Service**

On 7 April 2021, the Cabinet Social Wellbeing Committee **agreed to recommend** that Cabinet:

- 1 note that government periodically issues expectations directing State sector agencies on employment standards and processes of negotiation for employment agreements;
- 2 note that in February 2018, the Cabinet Government Administration and Expenditure Review Committee agreed to issue the *Government Expectations on Employment Relations in the State Sector* (the current Expectations) [GOV-18-MIN-0003];
- 3 note that the Public Service Act 2020 provides an opportunity to issue Expectations as a Government Workforce Policy Statement that agencies must either give effect to, or have regard to, as a matter of law;
- 4 note that the Public Service Commission has reviewed the current Expectations and revised them in the light of the Government's wider employment principles and concerns;
- 5 agree that the draft Government Workforce Policy Statement attached to the paper under SWC-21-SUB-0039 (the Policy Statement) will replace the current Expectations;
- 6 note that the Policy Statement has been the subject of consultation with affected agencies and with unions, as required by the Public Service Act 2020, and that some changes have been made in response to feedback;
- 7 note that amendments have been made to address certain elements of the agency feedback;
- 8 note that other feedback, relating to implementation of the Policy Statement, will be addressed by the Public Service Commission as operational matters;
- 9 note that elements of union feedback (relating to inclusion of contractors in coverage of the Policy Statement, removal of the pay restraint requirement, and backdating of settlements) have not been incorporated in the revised Policy Statement;
- 10 authorise the Minister for the Public Service to make any minor or technical amendments before approving and issuing the Policy Statement;
- 11 note that the Minister for the Public Service intends to approve the Policy Statement as a Government Workforce Policy Statement in accordance with section 99 of the Public Service Act 2020;

- 12 note that the Public Service Commissioner will issue operational guidance on the Policy Statement in relation to pay restraint that will require Public Service agencies, and encourage the wider public sector (excluding local government), to:
- 12.1 apply increases that are contractually required by existing agreements;
 - 12.2 lift pay for low paid staff; address gender and ethnic pay inequities; and address acute recruitment and retention issues demonstrably impacting on frontline service delivery;
 - 12.3 consider pay adjustments for middle earners (approximately \$60,000 to \$100,000) in restricted circumstances subject to approval by Te Kawa Mataaho;
 - 12.4 hold pay for higher earners and senior leaders (including departmental secretaries and chief executives);
 - 12.5 ensure in bargaining strategies that salary increases are low averaged across all staff, including the cost of any built-in increases;
- 13 note that the Public Service Commissioner will review the operational guidance in mid-2023;
- 14 9(2)(g)(i) free and frank

Rachel Clarke
Committee Secretary

Present:

Rt Hon Jacinda Ardern
Hon Grant Robertson
Hon Kelvin Davis
Hon Dr Megan Woods
Hon Chris Hipkins
Hon Carmel Sepuloni (Chair)
Hon Andrew Little
Hon Poto Williams
Hon Kris Faafoi
Hon Peeni Henare
Hon Willie Jackson
Hon Ayesha Verrall
Hon Aupito William Sio
Hon Priyanca Radhakrishnan

Officials present from:

Office of the Prime Minister
Office of the SWC Chair
Officials Committee for SWC