

Senate Standing Committees on Finance and Public Administration

The current capability of the Australian Public Service (APS)

PUBLIC HEARING 20 JULY 2021

ANSWER TO QUESTION ON NOTICE

Social Services Portfolio
Services Australia

Topic: ASL cap flexibility

Question reference number: IQ21-000079

Member: Tim Ayres

Type of question: Spoken. Hansard Page/s: 44

Date set by the committee for the return of answer: 10 August 2021

Question:

CHAIR: Where I see problems, you just see, 'This is terrific; we've got all this flexibility to go up and down.' Would you be able to show us, perhaps on notice, the ebbs and flows at a monthly level and how you move above and below the cap and how you calculate that you've achieved the cap over the three years that we talked about earlier in this discussion?

Mr Nelson: I'd have to take that on notice

Answer:

The Agency's Average Staffing Level (ASL) cap is agreed by Government as part of the budget process, and is published in the Social Services Portfolio Budget Statements.

The Agency's actual ASL achievement over a financial year, is published in the Services Australia Annual Report.

Senate Standing Committees on Finance and Public Administration

The current capability of the Australian Public Service (APS)

PUBLIC HEARING 20 JULY 2021

ANSWER TO QUESTION ON NOTICE

Social Services Portfolio
Services Australia

Topic: Labour hire companies

Question reference number: IQ21-000083

Member: Tim Ayres

Type of question: Spoken. Hansard Page/s: 47

Date set by the committee for the return of answer: 10 August 2021

Question:

CHAIR: How many labour hire companies does the department engage?

Mr Nelson: There are primarily three that we use.

CHAIR: Who are they?

Mr Nelson: Chandler Macleod, Hays and Adecco.

CHAIR: Are you able to provide the committee with the amount remitted by the department to each of those three labour hire companies in the last three years?

Mr Nelson: I would have to take further notice.

CHAIR: Are you able to tell the committee what proportion of those arrangements are fees to the agency? That is, how much of those amounts doesn't find its way into the pay packets of the employees you are engaging but is taken by these very large labour hire operations.

Mr Nelson: I don't think we have access to that information.

CHAIR: How is that consistent with your obligations to expend public money with an eye to efficiency and to being effective, economic and ethical, if we don't know how much of that is going to people who are working for the agency and how much of that is going to the profits of the labour hire company?

Mr Nelson: I think it goes to the fact that where paying a fee for a service, and—

CHAIR: But how much is the fee?

Mr Nelson: I don't know. I haven't got that information. And as I mentioned to you before—

CHAIR: Can you provide that information, or is it unknowable?

Mr Nelson: It may well be subject to commercial-in-confidence.

CHAIR: We'll have that argument at the time, if we need to have it. It's not an objection that can be made before a Senate committee. How much public money has been expended in fees to these multinational labour hire companies? Can you tell us on notice?

Mr Nelson: Yes, I can tell you on notice.

CHAIR: Over the last three years. Can you take that on notice for us.

Mr Nelson: Yes, I can.

Answer:

Services Australia's contracts with labour hire providers are established through a competitive procurement process, adhering to the requirements of the Commonwealth Procurement Rules and the Australian Government's Procurement Framework, including the reporting of all contracts valued at or above \$10,000.00 on AusTender. Those contracts oblige the providers to meet specific statutory and other obligations with respect to their staff regarding salary and superannuation.

The details of Services Australia's current labour hire and contracted personnel arrangements are publicly available and can be found on AusTender at www.tenders.gov.au.