Federal Government's response to the drought, and the adequacy and appropriateness of policies and measures to support farmers, regional communities and the Australian economy Submission 10



Community and Public Sector Union

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14 February 2020

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Dear Committee Secretary

Federal Government's response to the drought, and the adequacy and appropriateness of policies and measures to support farmers, regional communities and the Australian economy

As the primary union representing Australian Public Service (APS) employees, the Community and Public Sector Union (CPSU) is committed to providing a strong voice for our members in key public policy and political debates.

The CPSU welcomes the opportunity to make a submission to this Federal Government's response to the drought, and the adequacy and appropriateness of policies and measures to support farmers, regional communities and the Australian economy.

This submission focuses on the social and economic advantages of a strong APS employment base in regional communities, rather than the merits of particular policies and measures.

Any Commonwealth drought assistance package must include an active role for Government in both facilitating regional development and also providing good, new jobs. The APS can do much more in supporting those regions affected by drought by providing ongoing employment opportunities that build the capacity of the public service in regional areas.

The CPSU has long been on the record of supporting an increase in regional APS jobs. Public sector jobs can be important anchor jobs in regional communities, and disappointingly, Commonwealth public sector employment has been declining in regional Australia over recent

years, including in drought affected communities. This has a significant impact on regional communities including:

- Declining public sector job numbers reducing local consumer spending, affecting small businesses in particular.
- Reduced career opportunities for younger people, contributing to the ongoing drift of young people to capital cities.
- Reduced career opportunities for women the APS is a career based organisation with with employment conditions that support people managing the demands of work and family. At 30 June 2019, 59.6% of APS employees for women¹.
- Reduced government services in regional communities, a problem exacerbated during times of crisis.
- Less support for the innovation and adaption that government services can support IN regional communities develop new economic opportunities and adapt to changing economic and environment circumstances.

It is also worth noting that the Commonwealth agencies that played some of the most important roles in supporting regional communities through this summer's bushfire crisis – many of them occurring in drought affected communities - were Centrelink, the ABC and the Bureau of Meteorology. These are all agencies that have been disproportionately affected by jobs cuts in regional centres over the last decade.

Our analysis of changes in APS staffing levels since June 2013 against the Drought Map² and Statistical Area 4s (SA4)³ that appear to be in drought or severe drought indicates that <u>1,186 APS</u> jobs have been cut from drought affected areas since 2013, noting that this does not include non-APS areas of Commonwealth employment such as the Commonwealth Scientific and Industrial Research Organisation (CSIRO) and the Australian Broadcasting Corporation. Our analysis is attached at *Appendix A*.

Based on the median APS service delivery salary of \$72,744,⁴ those <u>APS job losses take \$86.3m</u> per annum in wages out of drought affected communities.

Increasing the number of jobs in regional Australia will not only reverse the impact of job cuts but demonstrates that government has a commitment to both service delivery and strengthening regional economies affected by drought.

² Australian Government (2019) National Drought Map. Retrieved from <u>https://map.drought.gov.au/</u>

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¹ p74 Australian Public Service Commission (2019) State of the Service Report 2018-19. Retrieved from https://www.apsc.gov.au/sites/default/files/apsc_state_of_the_service_report_2018-19.pdf

³ SA4s are Hunter Valley exc Newcastle, Mid North Coast, New England and North West, Far West and Orana, Coffs Harbour – Grafton, Richmond – Tweed, Riverina, Murray, Central West, North West, Ipswich, Logan – Beaudesert, Toowoomba, Darling Downs – Maranoa, Central Queensland, Queensland – Outback, Wide Bay, Mackay - Isaac – Whitsunday, Launceston and North East

⁴ Australian Public Service Commission (2019) Remuneration Report 2018 - Chapter 7: APS Job Family Model. Retrieved from <u>https://www.apsc.gov.au/chapter-7-aps-job-family-model-0</u>

Removing the Average Staffing Level (ASL) cap will be necessary to enable the APS to increase the overall number of APS jobs in drought affected areas without cuts elsewhere. Where agencies are employing people through labour hire and other third-party arrangements in regional areas, the lifting of the ASL cap would allow those jobs to become ongoing jobs with security, improved pay and conditions and career opportunities to be embedded in those communities. Similarly, resources that become available through this can be used to strengthen regional job numbers within the existing Commonwealth footprint.

Our approach on this differs from that of the Government's approach on relocating agencies and programs. To be clear, we are not advocating for the move of agencies and functions such as occurred with the Australian Pesticides and Veterinary Medicines Authority move. The public sector is itself in need of urgent repair after decades of public sector cuts have stretched the APS beyond its policy development and service delivery capacity. In this environment, moving existing agencies, functions, and staff to new locations does not rebuild APS capacity, and risks exacerbating the problem.

The CPSU is recommending an increase in overall APS staffing with drought affected regional communities to be a priority recipient of that increased staffing. It is more effective and fairer on the people involved to achieve this through building on the existing Commonwealth footprint in regional areas by requiring agencies to restore jobs cut than establish new agencies or functions in these locations. Services Australia, the Australian Taxation Office, National Disability Insurance Agency, the Department of Defence, ABC, BOM and the CSIRO provide current opportunities to do this. With further investigation, we are confident there would be many more.

Increasing permanent APS staffing levels in regional Australia, and boosting funding for regional support in other Commonwealth agencies such as the CSIRO and the ABC, can be one element of what is likely to be a broad range of measures that the Government could adopt in a drought assistance package. This is a measure that could be introduced reasonably quickly and with minimal additional cost, one that would provide a solid foundation of much needed jobs and services in drought affected communities.

The CPSU is happy to provide information on the matters raised in this submission and supplementary information on other relevant issues.

Yours sincerely

Michael Tull ASSISTANT NATIONAL SECRETARY

Statistical area four									2013-2019	
		2013	2014	2015	2016	2017	2018	2019	Change	%
NSW	Hunter Valley exc Newcastle	947	899	833	801	764	720	723	-224	-24%
	Mid North Coast	493	464	461	479	469	424	438	-55	-11%
	New England and North West	239	220	216	206	208	216	310	71	30%
	Far West and Orana	207	619	191	175	174	179	166	-41	-20%
	Coffs Harbour - Grafton	601	619	609	656	609	598	581	-20	-3%
	Richmond - Tweed	631	590	576	595	562	526	513	-118	-19%
	Riverina	325	327	308	292	274	262	261	-64	-20%
	Murray	1564	1458	1436	1286	1242	1192	1096	-468	-30%
	Central West	254	240	232	237	242	283	277	23	9%
VIC	North West	122	121	113	108	100	105	122	0	0%
QLD	Ipswich	468	489	554	560	558	532	579	111	24%
	Logan - Beaudesert	291	253	240	186	168	197	256	-35	-12%
	Toowoomba	438	444	455	462	446	396	377	-61	-14%
	Darling Downs - Maranoa	266	254	222	203	192	191	169	-97	-36%
	Central Queensland	256	235	216	194	182	193	222	-34	-13%
	Queensland - Outback	328	306	297	302	321	325	330	2	1%
	Wide Bay	383	352	315	321	282	298	290	-93	-24%
	Mackay - Isaac - Whitsunday	143	141	115	106	109	112	114	-29	-20%
TAS	Launceston and North East	327	327	294	330	316	296	273	-54	-17%
		10296	10372	9698	9515	9235	9063	9116	-1186	- 12%

Appendix A: All employees: location (statistical area four) by year, 30 June 2013 to 30 June 2019

Source: APS Employment Database