

22 December 2021

Attention:
Administrative Officer
Senate Select Committee on Job Security
Department of the Senate

By Email:

Dear

Senate Select Committee on Job Security, Questions on notice - Public Hearing, 7 December 2021, Newcastle

I refer to Downer's appearance before the committee on Tuesday, 7 December 2021.

In accordance with your written request dated 10 December 2021, Downer provides the following responses to questions taken on notice at the public hearing:

Question 1 from Senator Grogan (referred to on page 28 of the Hansard transcript)

Downer gave evidence that at the end of September 2021, 27 individuals were engaged on maximum term contracts, representing approximately 22% of the Downer workforce at the Cardiff Rail site. As at today's date there are 24 individuals on maximum term contracts engaged at the Cardiff Rail site. Of these 24, 8 are apprentices engaged on a maximum term arrangement for the full term of their apprenticeship. Of the remaining 16, the duration of the maximum term contracts ranges from 1 month to 13 months, with the average length being 9.4 months.

In March 2021, Downer secured additional project work for approximately 12 months. To support additional labour requirements, 10 individuals were offered maximum term opportunities for a period of 12 or 13 months. Of the 10 contracts offered, 8 were to existing maximum term employees who would have otherwise finished working for Downer. These 8 individuals will be engaged on a maximum term basis for total periods of between 14 and 19 months. Prior to this project work, the average length of maximum term engagements in place at the time was 5.3 months.

If permanent opportunities arise, it is standard practice that they are offered to current maximum term employees in the first instance.

Question 2 from Senator Grogan (referred to on page 28 of the Hansard transcript)

Downer gave evidence that it engaged 5 individuals through labour hire, and that the labour hire resources fluctuated based on increased demand in resources driven by project work and periodic maintenance requirements.

Downer also gave evidence that up until 2021, there was a higher proportion of project work undertaken on an ad hoc basis at the Cardiff Rail site. This can be seen in the fluctuating resource requirements over the 24 months leading into March 2021, and the higher demand for labour hire resources over this same period.

Typically, if Downer is in a position to directly hire additional employees, these opportunities are offered to current labour hire employees in the first instance.

The number of individuals engaged through labour hire as a percentage of the total workforce at the Cardiff Rail site is set out below. Reliable numbers were not available prior to 2017.

Date	Direct Employees	Labour Hire	Labour Hire (as % of workforce)
March 2017	129	12	9%
June 2017	134	28	17%
September 2017	140	31	18%
December 2017	139	41	23%
March 2018	81	41	34%
June 2018	82	47	36%
September 2018	85	57	40%
December 2018	90	71	44%
March 2019	102	69	40%
June 2019	96	76	44%
September 2019	101	97	49%
December 2019	102	98	49%
March 2020	130	83	39%
June 2020	127	39	23%
September 2020	155	19	11%

December 2020	152	38	20%
March 2021	150	23	13%
June 2021	135	14	9%
September 2021	121	0	0%

Yours sincerely,

Melissa Hogan
Industrial Relations Manager
Rail & Transit Systems