



Community and Public Sector Union

PSU Group • Hobart Office

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Committee Secretary
Senate Legal and Constitutional Affairs Committee
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Parliament House
Canberra ACT 2600

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Dear Committee Secretary

Inquiry into the impact of changes to service delivery models on the administration and running of Government Programs.

As the primary union representing Australian Public Service (APS) employees in Tasmania, 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 inquiry into the impact of changes to service delivery models on the administration and running of Government Programs. Tasmanians have felt the impact of staffing cuts and the outsourcing of work on the quality of public services they rely on. These decisions have not been in the public interest. They have resulted in declining numbers of permanent APS jobs and the proposed privatisation of visa processing will only result in the further of loss of good, quality jobs from Tasmania.

Staffing levels

Despite a growing population¹, the number of federal public servants in Tasmania continues to decline. The most recent December 2018 figures from the APS show a decline since December 2013 of 477 jobs in Tasmania or 11%. There are now fewer APS employees in Tasmania than there were in 2007. This decrease has been brought about through redundancies and by agencies not replacing staff who resign.

Rather than hiring more APS staff to meet workloads, agencies with a presence in Tasmania such as the Department of Human Services, Defence, Department of Veterans' Affairs, Department of Social Services, Australian Taxation Office and the National Disability

¹ Alexandra Humphries (2018, 11 October). Tasmania's population growth is out of control with no one at the wheel, says planning expert. ABC News. Retrieved from <https://www.abc.net.au/news/2018-10-11/tasmanian-population-growth-labelled-a-runaway-train/10366054>

Insurance Agency are increasingly using labour hire workers. This is a decision being driven by the Average Staffing Level (ASL) cap.

The growing use of labour hire is at the expense of permanent APS jobs that provide wider social and economic benefits. The community is being short-changed. Labour hire providers, rather than Tasmanians, are profiting from this growth in insecure work by charging the Commonwealth a premium while creating fewer jobs with worse pay and conditions.

The CPSU in Tasmania are yet to speak with anyone in a management position locally within the APS, who feels that these arrangements are anything but grossly inefficient. Management reports that it restricts their ability to have control over the selection process and is extremely expensive from a training perspective.

There is a lack of transparency around the use of labour hire staff. Government departments provide little information about how many outsourced workers there are, or the cost of using labour hire or outsourcing arrangements as opposed to directly employing APS staff. Furthermore, labour hire staff report that they are often providing training and support for labour hire, hiding the true cost of outsourcing.

Labour Hire in the DHS Compliance Risk Branch (Robo Debt area)

The introduction of labour hire into an area that works with vulnerable members of our community is at odds with best practice. Traditionally in the APS, there has been an emphasis on having a skilled permanent workforce because there was an understanding that corporate knowledge and detailed expertise was highly important when dealing with ever evolving complex government legislation and policy.

The outsourcing of core work has resulted in the de-skilling of work areas and the plummeting morale of remaining staff. There is a feeling within the Department at all levels that it is no longer a priority to retain a permanent skilled workforce with corporate knowledge, even if the result is a temporary, de-skilled and less efficient workforce.

Most staff employed through labour hire arrangements are not provided with adequate support, lack job security and have worse pay and conditions than permanent staff doing the same work. They are placed under significant pressure and surveillance by labour hire providers. For example, Chandler Macleod flew HR managers down to Tasmania from Melbourne during CPSU visits to shadow the union organiser. Labour hire staff reported feeling intimidated by this practice and wondered why it was so important for Chandler MacLeod to be onsite whenever the union was in attendance.

Unsurprisingly, there are extremely high levels of labour hire staff turnover. More than half of labour hire staff have either resigned or been dismissed within the first 12 months of their employment. In Hobart, there are now only four staff remaining in Compliance Risk Branch from a recent March 2019 intake of 19 staff. Similar trends have been witnessed in Launceston from an intake of 43 staff in June 2018 only 13 staff remain.

Given the complex nature of the work and that completing basic training takes eight weeks, the high turnover has resulted in a less skilled workforce that is under constant pressure to meet daily published statistics. Permanent APS staff reflect that this results in increasing errors and levels of re-work, increasing existing workloads and adding stress.

Visa privatisation

The proposed privatisation of visa processing will have a disproportionate impact on Tasmania. There are currently 136 staff working in the Department of Home Affairs in Tasmania and the CPSU understands that 90 percent of these staff work in visa assessments. Temporary work visas and tourist visa assessments, under scope for privatisation, are all actioned in Tasmania. The high amount of staff working in visa assessment, places those jobs at risk if the visa processing system is privatised. The visa categories first in scope for privatisation are processed in Tasmania.

The ASL cap has already resulted in staffing cuts at the Department of Home Affairs in Tasmania, affecting the quality of decision making. Reductions in staffing levels have meant less resources being available to scrutinise applicants. Program support teams have been cut and decision making has been affected. This is all occurring amongst a backdrop of a blowout in processing times and an increasing backlog of visa and citizenship applicants. Staff believe more staff would enable the Department to better scrutinise applicants and ensure workers are not working illegally or being exploited.

While there have been claims that Home Affairs jobs in Tasmania will be safe, a lack of clarity remains as the most recent Budget papers show a significant decline in spending on staff over the forward estimates that corresponds with the timetable for visa privatisation.

Tasmania has already lost too many permanent APS jobs and more are threatened by visa privatisation. Rather than fewer staff, Tasmania needs more APS jobs to meet workloads in agencies such as the Department of Home Affairs and in the Department of Human Services. An increase will have a broader, beneficial impact on the Tasmanian economy. Research into the flow-on effect of APS jobs into local communities shows that for every APS job created there is a multiplier effect of 1.68 jobs created in Tasmania.²

The best public interest outcome for Tasmania is for visa processing to remain publicly delivered and for the ASL cap to be eliminated to reduce the use of labour hire and allow more permanent APS jobs to be created.

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

For further information, please contact me via email

Yours sincerely

Zac Batchelor
Tasmanian Regional Secretary
Community and Public Sector Union

² David Richardson and Dr Richard Denniss (2010, 17 August). The regional impact of public service job cuts. The Australia Institute. Retrieved from <https://www.tai.org.au/node/1654>