

# **Inquiry into Independent contractors and labour hire arrangements**

## **The role of labour hire arrangements in the modern Australian economy**

The process of casualisation of the Australian workforce is evidenced by the increasing range and quantum of independent contracting within the Australian Public Service. While it can be desirable to fill some positions within an organisation by independent contract or casual staff, that decision should reflect a specific organisational policy or need. In many cases I believe the process of casualisation has occurred, with little justification except for notions such as; uncertainty of budget funding or to balance short (or often long) term resource needs.

In the government organisation in which I am placed there has been an increase of approximately 250% in **non-ongoing** staff (some under labour hire arrangements), during the past year, while the **ongoing staff** numbers decreased slightly (7%). The ratio of staff currently defined as non-ongoing represents more than 20% of the total staff. No doubt the Labour Hire Inquiry could access data to ascertain if this is a general trend throughout government departments and agencies, but the current inquiry suggests that it is. I understand that some organisations have set an internal cap of 10% on contract or casual employees as a percentage of total staff.

It is obvious that the government is substituting larger numbers of employees on negotiated wages and conditions with labour hire and non-ongoing workers at lower pay and worse conditions. As a non-ongoing worker myself, I was not inclined to take leave at the beginning or end of a 3 month contract, because of creating a bad impression and for fear of not having the contract continued. While I was on contract, there was little chance of any expenditure on my training needs. The implications from an OH&S and morale perspective were not positive.

If this trend is supported by evidence, the question is raised whether these government bodies are upholding the Values of the Australian Public Service by providing '*a career based service to enhance the effectiveness and cohesion of the Australian democratic system of government.*' For the growing proportion of non-ongoing or contract staff, who presumably would not regard their employment with the APS as 'career based'; the answer is probably in the negative. Other questions surround the degree to which contract workers would understand, uphold or be bound by the APS Values and Code of Conduct. Under these conditions the Public Service Commission requirement to embed the APS Values and Code of Conduct into the culture of government agencies, raises another concern.

This apparent change to staffing profiles due to the casualisation of the workforce has a number of implications in contributing to lower levels of: corporate memory, expenditure on staff training, employee commitment and loyalty etc. While most private organisations would support a philosophy of strong experience and corporate memory as vital to their future success, contrary to many of their own policies, government agencies appear to be less convinced that these aspects are of value.