

Senate Standing Committee on Finance and Public Administration

ANSWERS TO QUESTIONS ON NOTICE

Human Services Portfolio

Additional Estimates 2006-2007, 13th and 16th February, 2007

Question: HS45

Agency: Medicare Australia

Outcome 1, Output 1.1

Topic: Recruitment agency spending

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SENATOR WONG asked on 16/02/2007:

- (1) What sum was spent on recruitment agencies in 2006 by each department and agency in the Minister's portfolio?
- (2) Will the Minister provide a list of the recruitment agencies which are used by the department and agencies in the Minister's portfolio?
- (3) What functions do recruitment agencies perform for departments and what would be the likely impact on departmental outcomes from reduction in recruitment spending on external agencies?
- (4) What benefit-cost assessments have been done which benchmark internal recruitment processes and/or on utilising on line recruitment portals?

ANSWER:

(1) \$919,952

(2)

Australian Council for Educational Research Ltd	Hudson Global Resources
Professional Careers Aust Act	Onetest P/L
Manpower Services (Aust) P/L	Quadrante Solutions
Icon Recruitment P/L	Paper Shuffle P/L
Careers Unlimited P/L	Searson Buck P/L
Green & Green Group P/L	AUREC P/L
Cardiner King	Ross Human Directions Ltd
Acumen Alliance	ACT Tertiary Careers Committee
HAYS Personnel Services	Trinity Executive Appointment P/L
Drake Australia P/L	Maximus International P/L
Adecco Australia P/L	Budsoar P/L
The Public Affairs Recruitment Co P/L	Scribe Management Australia
IPA Personnel	Aquent
Coopers Recruitment	AUREC P/L
Catalyst Recruitment	Ross Human Directions Ltd
Kowalski Recruitment	Select Teleresources
McArthur Management Services	Robert Half
Gillian Beaumont Recruitment	CC International Recruitment P/L
DFP Recruitment Services P/L	BMG Associates
Select Australiasia P/L	Canberra Consultants P/L
SOS Recruitment	

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- (3) The functions performed by recruitment agencies for Medicare Australia include:
- assisting with bulk recruitment processes for Customer Service Officers and Graduates
 - coordinating and managing Senior Executive Service processes, including the search component
 - sourcing and referring ongoing and non-ongoing employees for placement in Medicare Australia
 - scribing, report writing and referee checking as required
 - psychometric testing as required
 - supplementing candidate numbers for selection processes as required

The likely impact on outcomes from reduction in recruitment spending on external agencies include:

- in a tight labour market, an inability to fill positions in a timely manner
 - a likely shortage of appropriate candidates, as external agencies have access to a wider range of talent through their strong relationships with other departments and greater networking power
 - a potential increase in recruitment costs due to Medicare Australia having to undertake a recruitment process on multiple occasions to find a suitable candidate, where as external agencies are only paid once when a candidate is placed
 - difficulties in recruiting to specialised roles (a number of external agencies specialise in recruiting staff in different fields, such as medical, finance or media)
 - Medicare Australia's ability to deliver its business and to service the Australian public could be affected due to insufficient or lack of qualified/experienced staff.
- (4) No benchmarking of Medicare Australia's internal recruitment processes with on-line recruitment portals has been undertaken.

To prepare this answer it has taken approximately 5 hours at an estimated cost of \$316.