

## DFSI bulletin – IRC hearing on labour hire statistics

In April of 2017 the Audit Office published a report which highlighted many concerns with the way Public Service Agencies manage their contingent workforce.

The report highlighted the use of labour hire to provide essential public services had doubled in five years from nearly \$500 million in 2010-11, to more than \$1.1 billion in 2015/16. This is the equivalent of 13,620 full-time permanent public servants, paid at the 2016 NSW public sector median salary of \$81,649. The latest figure for 2016/17 is \$1.3 billion.

Since 2011, 20,000 permanent public servants have lost their jobs due to continual restructuring, downsizing and so-called efficiency dividends. The services these public servants provided to the community were in many cases axed or, in other cases, agencies moved to employ temporary, insecure labour hire workers to do the same work.

Not only are state/public funds being siphoned off to private employment agencies; this is clearly a major issue affecting our members. The Department has failed to appropriately consult about its use of labour hire, in accordance with Clause 65 of the *Crown Employees (Public Service Conditions of Employment) Award 2009*.

The PSA raised our concerns with the DFSI executive at a September JCC and in November 2017 we wrote to DFSI Secretary Martin Hoffman advising him that, as the employee representative body, it is expected the Department is compliant with the Public Service Commission's guidelines around the issue, and the Audit Offices recommendations. We sought consultation on the issue to begin forthwith. We specifically requested the Department release to the PSA:

1. details of how DFSI currently manages its contingent workforce
2. How this system complies with the PSC Guidelines around contingent labour and/or how DFSI intends to do so in future;
3. Details around DFSI's current use of contingent labour including numbers, positions, costs and any other details pertinent to addressing issues affecting PSA members; and
4. Details of how the Department intends to meet its consultative requirements over the use of contingent labour on a regular basis.

Secretary Hoffman expressed his willingness to use public servants for public service roles, however he was not willing to release the statistics requested.

The PSA is here for the protection of all Award employees so in early February the PSA escalated the matter to the Industrial Relations Commission (IRC), where we argued that for effective and meaningful consultation to occur the Department must share all relevant information with the Association.

Why is the Department dragging the chain when it comes to the release of this information? Is it afraid to expose a lack of fiscal responsibility?

Ultimately the IRC recognised the reasonableness of the PSA's request and made a recommendation inviting the Department to provide a written response to the PSA's original November letter. The parties have the option of reporting back to the Commission on Friday 16 February pending whether a satisfactory resolution has been reached.

