

18 December 2017

Ministry of Health - too many contractors, not enough ongoing employees

PSA delegates Julie Westacott and John Bertacco along with Senior Organiser Siobhan Callinan and Industrial Officer Carmel McKeough met with the Ministry of Health for the Joint Consultative Committee meeting on Wednesday, 6 December 2017.

Key issues discussed were:

1. Contractors

The number of contractors in the Ministry continues to be the dominant issue on the JCC agenda.

The PSA was advised that there are now **132 current contractors** at 73 Miller Street – the numbers keep increasing with each JCC.

The PSA requested a copy of the memorandum Ministry officials agreed to issue after the previous JCC to clarify employment practices for contractors. The memorandum is [HERE](#).

(<http://psa.asn.au/wp-content/uploads/2017/12/Ministry-Contractors.pdf>)

The PSA expressed its concerns that the ever-increasing number of contractors is preventing opportunities for the ongoing employment of public servants. The Ministry claimed the majority of contractors are employed for one-off projects or to manage surges in work. However, this does not reflect the advice of our members, which is contractors are doing work which could be done by ongoing employees at 5/6, 7/8, 9/10 and 11/12 level.

The view was also expressed by the Ministry that a level of staff turnover is good and that it is positive to move in and out of the Ministry and other parts of the health system. That didn't seem to affirm the value of experienced, long-term and loyal staff as strongly as the PSA would have liked.

The NSW Auditor-General's Contingent Workforce Report was issued in April this year. The Ministry of Health was not included in the agencies examined by the Auditor-General. However, the report is clear that "this audit identified learnings that government agencies across the sector should consider when procuring and managing contingent labour".

The Auditor-General found that between 2011-12 and 2015-16, Government spending on contingent labour has increased from \$503 million to \$1.1 billion.

The Auditor-General's report found considerable shortcomings in the use of contingent labour. A key finding was that agencies could not demonstrate that they had analysed their use of contingent labour at an agency level which is needed because **"contingent labour should only be engaged after considering all other recruitment options and the agency's workforce plans"**.

The Ministry is clearly unwilling to change the way it uses contractors because that would potentially increase the number of FTEs at Miller Street. The current situation is unacceptable, as members could have other opportunities after being unsuccessful for roles as a result of restructures if there was commitment from the Executive to assign staff to roles under clause 46 of the *Government Sector Employment Act 2013*. There is however no willingness to take this action and the end result is that staff who could do other jobs are offered voluntary redundancy. The Ministry was quite adamant it works hard to seek opportunities for members who have been unsuccessful following a restructure, but the proof of that is hard to see when there are 132 contractors on the books.



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As identified by the Auditor-General, the overreliance on contractors at the expense of ongoing employees is a problem across the public sector. In terms of the Ministry, the PSA will keep pursuing this issue at both Ministerial and senior Departmental level so that the work of public servants is properly valued with more opportunities for ongoing employment and the engagement of contractors is the absolute last resort not the first option.

2. Relocation to St Leonards

It was agreed the sub-JCC established as a consultation mechanism in regard to the relocation would meet next year for one hour prior to each JCC meeting.

The PSA raised the issue of the potential confidentiality of information provided and the need to keep our members informed. The “ground rules” for the operation of the sub-JCC will be further discussed.

The PSA expressed concern regarding inadequate time to analyse information. At previous meetings of the sub-JCC Committee, documents were first provided to members at the meeting itself and then the documents were removed not allowing members the opportunity to review and analyse the document in their own time. The Ministry advised the reason was that the information was confidential and not yet ready to be released. The PSA does not consider this an appropriate reason as members of the sub-JCC would respect any appropriate requirement for confidentiality with documents they were entrusted with.

The PSA referred to the establishment of a Resource Sharing Committee as part of New Ways

of Working. We requested details of the membership and terms of reference.

Members can be assured their views will be sought as work on the relocation progresses. The PSA will be particularly focussed on ensuring that all work, health and safety requirements are upheld as plans progress for the new site.

3. PSA visits to Ministry of Health

The PSA advised visits to the Ministry will continue in accordance with the union’s legal right of entry to the work site.

4. Next meeting

The next meeting of the JCC will be held on **Wednesday, 21 February 2018** at 2.00pm, with the sub JCC commencing at 1.00pm.

If members have agenda items could they please advise their delegates by no later than **Friday, 9 February 2018**.

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