



2<sup>nd</sup> April 2009

## **28% of Services to Lose Contracts**

**Visit [www.saveourjobs.com.au](http://www.saveourjobs.com.au)**

The federal government's decision to restructure employment services is set to see thousands of staff declared redundant. Today the Government has announced that 28% of all services will lose their contracts.

The Union expects many hundreds, if not thousands of workers to be displaced and made redundant.

To protect your jobs, ensure your entitlements and have a say about your future you need to act now! Go to [www.saveourjobs.com.au](http://www.saveourjobs.com.au)

### **EMPLOYMENT SERVICES THEN AND NOW...WHAT IS THE GOVERNMENT DOING?**

#### **The Job Network – the beginning**

In 1996 the Howard Coalition government decided to contract-out the delivery of many government run services to unemployed people. These services were at the time provided by the Commonwealth Employment Service (CES). The CES was contracted out and many very good community based services for the unemployed (like the Jobs Skills Program) were abolished to establish the Job Network.

The Job Network providers are for profit companies but are mainly NGOs who also provided a variety of other community services.

For many years the contracts were rolled over and generally the same organisations were funded to provide the same services. In addition some 'specialist' or 'complementary' programs like JPET; Personal Support Program; and Community Work Coordination (Work-for-the-Dole) were funded.

#### **2008/09 Changes – Job Services Australia**

In 2008 the new ALP government conducted a review and decided to change the provision of employment services aiming to ensure that the people would get the most appropriate and best quality service, especially those who are long term unemployed.

Existing providers were asked to tender for the funding and new providers have also tendered. New players including for-profit overseas-owned companies looking to expand their operations have also tendered.

The results of the tenders will be known tomorrow, the government has renamed the Job Network, "Job Services Australia."

## **WHAT THE CHANGES MEAN FOR WORKERS, COMMUNITY SERVICES DELIVERY AND THE UNEMPLOYED.**

The changes about to be announced by the government will have a significant impact on three groups: employees in the services who are not getting contracts, other vulnerable people who rely on the community services that are funded from surplus funds from the employment services, and the unemployed.

### **Employees**

The government announcement on who wins the new tenders means that thousands of employees will lose their jobs if their employer is not a winner. The government has done nothing to facilitate the transfer of employees into the employment of the new services.

***The government MUST immediately take action to ensure that existing employees have preference of employment with the new service providers***

### **Community Services – cut**

Employers have been able to make a profit out of the Job Network. In for profit companies, this profit goes back to the owner or the shareholders, for charities and community based services, this money has gone back into the service to provide more or better services to people in need. This is the case for many community services who are also Job Network providers. Now these funds will be lost and staff and services cut. In one inner Sydney youth service the amounts to some\$200,000 – and that's just one service.

***The government must immediately audit all cross subsidies and identify the broader community services that will be cut as a result of these changes. The government must agree to replace this funding so that community services to the most vulnerable are not cut and staff are not lost.***

### **The unemployed**

Hundreds of thousands of people are likely to become unemployed as a result of the GEC. This is a time when we need a skilled workforce that know how to meet the needs of the unemployed and can ensure they are job ready as we move out of the recession. Now is NOT the time to be sacking workers and leaving the unemployed with reduced services.

***The government must immediately agree to facilitate the transfer of employees from the current employers to the new employers.***

## WHAT HAS THE UNION DONE?

The ASU is calling on the government to:

1. Immediately audit the likely impact of the decision on the employment of staff;
2. Determine where the changes to employment services are likely to impact broader delivery of community services;
3. Establish mechanisms to ensure that staff displaced from services which will be stripped of their contracts have preference of employment in new services;
4. Agree to provide additional funds to services that will be forced to cut other programs as a result of having employment services removed.

The ASU has launched a website for affected workers and service providers. This is where you will be able to register for employment at new services, find out your employment rights if you are directly affected, keep you informed and to give you a chance to have a say. Go to [www.saveourjobs.com.au](http://www.saveourjobs.com.au)

## WHAT DOES THE FUTURE HOLD – MORE BIG CHANGES AHEAD

Employment Service workers can expect even more changes in the coming months. After the announcement of the new tenders we anticipate that the successful providers will look to enterprise bargain under the new workplace laws that come into place in July.

Mission Employment has already started the process of bargaining. All workers need to be ready. Keep up-to-date with the Mission Employment enterprise bargaining at [www.saveourjobs.com.au](http://www.saveourjobs.com.au) – click on the Campaigns button and follow the links.

This is important because Mission Employment workers will establish the benchmarks for all providers as their employer is one of the largest providers and is Australia-wide.

Workers registering their interest in future employment with new providers may be entering into enterprise bargaining to improve pay and conditions. You need to keep informed and get ready.

## WHAT CAN YOU DO?

1. Distribute this newsletter to all your co-workers.
2. If you are not a member – Join your union:  
New members will receive an information pack to help them through the changes and advice on your employment rights.
3. Go to [www.saveourjobs.com.au](http://www.saveourjobs.com.au) to:
  - Register your interest in preferred employment
  - Email the Minister to share your concerns
  - Have your say and share your story
  - Keep up-to-date with the current situation