Mr Peter Brown, Cronulla Fisheries Relocation Working Group SUPPLEMENTARY QUESTION

1. How many voluntary redundancies have been offered to staff and how many have been accepted?

Background Information

I have answered this question in the context of the following issues of concern to the staff regarding employment status and severance/redundancy entitlements:

- 1. Up to half the staff at the Cronulla Fisheries Research Centre of Excellence are classified as temporary employees under the Public Sector Employment and Management (PSEM) Act including some with over 20 years service.
- 2. Many of these staff qualified for appointment as permanent officers under the PSEM Act and the department has failed to make these staff permanent including the active denial of applications to make these staff permanent. This is a problem going back many years and, in the opinion of the staff, the department has only sustained this position by taking a contorted view of the relevant guidelines, namely the "Commentary and guidelines on temporary employment (part 2.4) and casual employment (part 2.6) Public Sector Employment and Management Act 2002 February 2009".
- 3. Since the government made changes to the Managing Excess Employees Policy effective August 2011 (1 month before the announcement regarding Cronulla) a staff member's status as permanent or temporary can have a profound effect on their severance/redundancy entitlements. Prior to the change, temporary and permanent staff qualified for roughly the same entitlement. Now they are vastly different. For example, there is one temporary staff member with over 20 years service who has already departed. His entitlements were in the vicinity of \$50,000 less than what he would have received under the previous provisions or had he been (rightly) classified as a permanent officer at the time of his departure.
- 4. The Department has agreed to change the status of affected temporary staff to permanent if they relocate to a regional location removing the uncertainty for these staff with respect to continuity of employment and/or future severance entitlements. This effectively acknowledges the fact that they should always have been classified as permanent under the PSEM Act.
- 5. The Department is refusing to acknowledge or address the legitimate concerns of the temporary staff who cannot relocate and who will receive severance payments substantially less than what they would receive if they were permanent or if the previous provisions remained in force.
- 6. Temporary staff members who are relocating within the Sydney metropolitan area are not being afforded the same offer of permanency that their regionally destined colleagues are receiving. This perpetuates the underlying problem of not applying the guidelines in the manner intended and is discriminatory. As a result, they are exposed to reduced severance entitlements should they be declared excess at some time in the future.
- 7. Severance/redundancy entitlements are not being made available to staff relocating within the Sydney basin.

<u>Answer</u>

I offer the following points in answer to the question:

- The process adopted by the department is that no one receives a formal offer of severance/redundancy until they are declared to be 'Excess Employees'. This occurs only after they receive formal advice on where their position is being relocated and have considered their position and advised their intentions. Once an employee advises their intention <u>not</u> to relocate, they would expect to be declared excess and offered a severance/redundancy payment on exit.
- 2. As at 19 September, 2012 it is my understanding that there are **16** staff who have departed the organisation with a severance payment. 9 of these were permanent officers and 7 were temporary employees. Of the 7 temporary employees, 4 were long term temporary employees and suffered a financial loss due to the change in policy and/or the department's failure to make them permanent officers.
- 3. As at 19 September, 2012 it is my understanding that there are a further **19** staff who have indicated their intention to leave who will expect to be declared excess and offered severance/redundancy because their positions are being relocated regionally. Of these, 2 are long term temporary staff members who expect to suffer a financial loss due to the change in policy and/or the department's failure to make them permanent officers.
- 4. As at 19 September, 2012 there are over **30** staff members who are in a state of flux. They have recently received relocation offers and are considering their position or they are yet to receive any formal offer of relocation. More than half of these staff members are classified as temporary.
- 5. To complete the picture there are (as at 19 September, 2012):
 - a. only 9 staff who have actually relocated,
 - b. 15 have secured employment in other parts of the government,
 - c. 29 have accepted an offer to relocate to Sydney based (14) or regional locations (15) (reluctantly or otherwise!) and continue to work at the Cronulla centre, and
 - d. **17** staff are awaiting the expiration of their contract terms with no offer of renewal expected.

Conclusion

The staff would regard the following actions a practical demonstration of the department's and the minister's oft-stated assertions that the relocation project is being conducted in a manner that takes account of the legitimate concerns of the staff:

- 1. For temporary staff being declared excess, direct that the department ensure a restoration of the severance entitlements applicable prior to the change of the Excess Employees Policy in August 2011. Failing that, direct the making of an ex-gratia payment to those staff suffering a monetary loss as a result of the policy change given its proximity to the decision to close Cronulla.
- 2. For temporary staff relocating, including those relocating within Sydney, direct an immediate re-assessment of their employment status with a view to making them permanent officers and applying the spirit and intent of the relevant guidelines rather than seeking to circumvent them.

Peter Brown Staff Representative, Cronulla Fisheries Relocation Working Group