

Since 2013, there have been over 14,000 APS jobs cut by the current Government. This has had a profound negative effect on the public service, as it has:

- driven up consultancy expenditure;
- created a capability gap within the APS; and
- made the APS dependent on these consultants

This has been driven by the Average Staffing Level (ASL) cap which was introduced in the 2015-16 Budget, as part of a Coalition policy to restrict public sector employment (excluding military) to below the levels of 2007. The consequence of this policy is the hiring of contractors and labour hire to conduct work which would normally be carried out by the APS permanent employees.

The Productivity Commission has recommended the Government remove the ASL cap in the NDIA, where expertise is being developed to produce capability. This recommendation demonstrates a clearly negative effect on the APS as a result of the ASL cap. The loss of specialist capability and service delivery expertise from the wider APS is reflected in the Productivity Commission recommendation for the NDIA to have the ASL cap removed.

A transformation has taken place within the APS culture as a result of the ASL cap, where making budget savings is held in higher regard than quality of service delivery. With an expectation of punitive response from Government for attempting provision of service excellence by reinvestment of budgetary savings, the instinct for the APS now is to always head for revenue savings instead.

An example is the reliance on external providers to deliver digital services which has resulted in very poor customer experience via examples in the DHS and the ABS. The public experience of these failures demeans the APS as a whole and impacts staff, recruitment, retention and organisational prestige.

A further consequence of Government policy has been a move towards insecure work, with more and more APS employees being contracted rather than permanent staff. As well as the moves towards outsourcing and labour hire contractors. This has an impact on the workplace as permanent staff work alongside others who have vastly different pay and conditions but perform similar work. This has a direct impact on the quality of service delivery, and makes management of these workplaces far more difficult than where the workforce is full-time APS staff. The impact of this on staff morale cannot be overstated.

In addition, there is a tendency now for utilisation of permanent full-time APS employees to multi-function in crucial roles such as WHS, risk management, security etc. In the past the delegation to one person for each of these roles has worked successfully and allowed the building of significant expertise. With the adoption of multi-role personnel in these areas it has driven staff towards a task

focus and degraded development and acquisition of expertise. This also has an adverse effect on each of these functions as the dedication to the role is reduced in each instance. Importantly, there has been nil remuneration for the staff expected to conduct these multi-role functions.

A consequence overall from these negative impacts is the move towards a risk-averse culture in the APS. At the same time as risk management being increasingly utilised to conduct business, culturally the instinct has tended towards risk avoidance. This is precisely the opposite effect to that which the risk management framework seeks.