

SECOND READING SPEECH

State Service Amendment (Redeployment) Bill 2011

Lara Giddings MP
Premier

I move – That the Bill now be read for the second time.

Mr Speaker, the primary purpose of this Bill is to amend the *State Service Act 2000* to support the Tasmanian State Service Structural Reform and Productivity Strategies program being managed by the Government.

More specifically this Bill seeks to amend Section 47(10) of the State Service Act by altering the period during which the State Service Commissioner must seek alternative duties for an employee who has been declared surplus to the requirements of an Agency from 12 to 6 months.

Mr Speaker, the Tasmanian State Service Structural Reform and Productivity Strategies program is focussed on strategic human resource management within the Tasmanian State Service to complement the Government's other budgetary efficiency strategies. These budgetary efficiency and employment management strategies have been brought together in the State Service Vacancy Control Process (SSVCP).

The SSVCP incorporates requirements under Section 47 of the State Service Act and the amendment proposed by this Bill.

It is a comprehensive process that focuses on redeployment and includes:

- Internal Agency Vacancy Management;
- Central Vacancy Management (or Inter-Agency Vacancy Control);
- Employee Suitability Assessment;
- Voluntary or Compulsory Transfer following Suitability Assessment;
- Workforce Renewal Incentive Program;
- External Job Alternatives;
- Employee Assistance;
- Targeted Voluntary Redundancy with Incentive Payment; and
- Redundancy payment if redeployment alternatives are not available to an employee within 6 months of being notified the his or her services are no longer required.

These measures will assist in managing any employment issues in the State Service that arise from the need to achieve budget efficiencies and reform the workforce. They are designed to protect the public interest, as well as the interests of State Service employees. This is by ensuring that current permanent State Service employees who occupy jobs that are no longer required to be undertaken are managed in a fair and equitable manner, according to standards that take account of contemporary best practice.

Mr Speaker, for any employee whose current functions are not to continue or whose position is excess to requirements, the Government's primary objective is to find alternative duties for that employee.

A series of transparent and accountable processes are being implemented to ensure appropriate measures are available to employees as well as Heads of Agencies which balance their respective needs. For a Head of Agency it is to achieve the budgetary savings that are required by the Government to responsibly manage our finances to secure Tasmania's future prosperity and wellbeing.

Mr Speaker it was the introduction of the State Service Act by the Labor Government under Jim Bacon that initiated significant changes in the accountability mechanisms of agencies and statutory authorities. Of particular relevance to this Bill was the introduction of the redeployment provisions of Section 47 of the State Service Act.

Section 47 placed emphasis on the redeployment of employees, whose duties were no longer required in one Agency, to elsewhere in the Service. This meant that simply being paid out was not the first and only option available to those employees. The State Service Act specifies a range of procedures that must occur when changes to an Agency's structure or operations require a change in the duties being undertaken by an employee.

The Bacon Labor Government placed significant emphasis on redeployment as a way to introduce more consideration and stability into the State Service. This change in approach was reinforced by the transition of many thousands of State Service employees from long term temporary employment status to permanent employment status.

Mr Speaker, the provision of the State Service Act that this Bill seeks to alter, section 47(10), was introduced

more than 10 years ago. This was before the global financial crisis, before the changed spending pattern of Australians caused a significant loss of GST revenue to the State, and in an era when the cost of salaries, infrastructure development and doing business was much lower.

The redeployment provisions of the current State Service Act reflect arrangements that are not appropriate for our current circumstances.

Mr Speaker, included in the current Section 47 is the option of termination of employment if, within 12 months, an employee has not been able to be placed in suitable alternative duties.

During the debate that took place in this House on the introduction of this section the Opposition questioned why this provision was being incorporated into the Act, when the Bacon Government's policy was to offer no State Service redundancies.

Premier Bacon explained that this policy was a commitment for the term of office of that Government and that while the Bacon Government was hopeful the policy would continue, no-one could guarantee when circumstances might alter and the financial situation might require this option to be put into effect.

Mr Speaker, that was in November 2000. Since that time these provisions have been rarely used. When particular duties have no longer been required the State Service has been able to successfully manage displaced employees through other means.

The advice I have received is that no employee has been terminated after 12 months. In part this is because 12 months is a long time; too long when, in reality, active management of displaced employees occurs much faster than that.

However, as I have already outlined, this provision, Section 47(10), was introduced in a different era.

Mr Speaker, accordingly, in these financially difficult times, this Bill is designed to provide a 6 month timeframe to redeploy an employee. This timeframe is considered reasonable in comparison to the private and other public sectors.

This Bill makes no change to any other employment right, entitlement or benefit enjoyed by a State Servant.

The current provisions of Section 47 are silent regarding the payment of a redundancy package on termination.

However, my Government has adopted a policy to pay a redundancy package to any employee who is unable to be redeployed within the 6 month timeframe proposed by this Bill.

Mr Speaker, this policy is reasonable and takes account of community standards and expectations. This needs to be acknowledged.

What is proposed by this Bill is to retain all the redeployment processes of Section 47, other than the timeframe for that process.

Mr Speaker, the Tasmanian State Service Structural Reform and Productivity Strategies program provides the

platform for renewal of the States Service to make it fit-for-purpose within the constraints of our current financial circumstances, and this Bill is an important element of this program.

I commend the Bill to the House.