Australia: Tens of thousands of public sector jobs axed

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Tens of thousands of public sector jobs are being slashed across Australia as governments at both federal and state levels, Liberal and Labor alike, implement sharp spending cuts.

Public servants are being flung into a rapidly shrinking jobs market, in which more than 700,000 people are officially looking for work. The mass layoffs are also undermining the delivery of vital services on which millions of people rely, including many of society's most severely disadvantaged, such as the aged, disabled and children at risk.

A federal finance department report this month revealed that more than 14,000 jobs will be axed across Commonwealth government departments over the next four years. The layoffs were set in motion by the former Labor government's decision to raise the public service "efficiency dividend" from 1.5 to 4 percent. The efficiency dividend is a mechanism used by governments at both federal and state levels to downsize by stealth—forcing department heads to cut costs by axing jobs, services and working conditions.

Signalling the job losses to come as department heads scramble to meet Labor's efficiency quota, the Australian Tax Office (ATO) last week announced it will axe more than 900 jobs by the end of the financial year. This is aimed at reducing costs by $50 million, while driving up "productivity" by increasing the workloads for the remaining staff.

The ATO cuts will badly affect regional towns, including Wollongong in New South Wales and Townsville in northern Queensland. These areas are already experiencing official unemployment rates of more than 7 percent, well above the national figure of 5.7 percent.

At the same time, the Liberal-National Coalition government of Tony Abbott is proceeding with plans to axe another 12,000 public sector jobs over the next three years, with the aim of slashing spending by $5.2 billion. The government has admitted that compulsory redundancies will be likely, declaring that the extent of Labor's cuts has made it difficult to reach the target through "natural attrition," as the Coalition pledged before the September 7 federal election.

Already, a jobs freeze has been imposed and hundreds of contractual workers and temporary staff across several departments in Canberra have been told their contracts will not be renewed, throwing them out of work before the end of the year. This is in line with a directive by the government's Australian Public Service Commission, instructing agency heads to ensure that "existing non-ongoing employment arrangements cease at the end of the current term and refrain from entering new arrangements."

Among the biggest users of contract arrangements are the ATO, the Australian Electoral Commission, and the Department of Human Services (DHS), which provides frontline social and health services, including to the unemployed, disabled and child support agencies. DHS operations are already severely affected by Labor's plan to shed 1,340 full-time jobs over 2013-14, on top of the 1,078 jobs axed in the last six months of 2012.

Also this month, the federal Health Department announced it will destroy 350 jobs, cutting one third of the staff across a number of divisions that provide health services for thousands of people.

The department's Primary and Ambulatory Care Division—which provides access to community-based health care, such as first-point-of-call services for prevention, diagnosis and treatment of ill-health, including in remote areas—will suffer a 25 percent staff cut. The Population Health Division that works to reduce preventable mortality and morbidity caused by chronic disease, including through the early detection of cancer, will be slashed by 30 percent.

Hundreds more jobs are under threat following the Abbott government's decision to merge AusAID, which employed 6,670 people, into the Department of Foreign Affairs and Trade (DFAT). The move follows the announcement that foreign aid will be slashed by $4.5 billion. Already, offers of employment have been withdrawn from dozens of young successful applicants to AusAID's graduate program.

At the state level, more than 50,000 public sector jobs have been axed in the past four years.

* In Queensland, the Liberal National Party (LNP) has slashed 14,000 public sector jobs since being elected in March last year, including over 5,000 from the state's health and hospital system and nearly 400 from Communities, Child Safety and Disability Services.

* The New South Wales Liberal government has axed over 15,000 jobs, including almost 2,400 from schools and TAFE colleges and 3,600 from hospitals.

* In Victoria, close to 5,000 jobs have been shed, including 648 from Department of Education and Early Childhood Development and 657 from the Department of Human Services.

* Western Australia's Liberal government announced in June that it will eliminate 1,200 public sector positions and halve the value of severance packages from next July to save $37.9 million.

State Labor governments are implementing the same underlying agenda as their Liberal counterparts.

* In South Australia, the Labor Party plans to slash a further 450 public sector jobs in addition to the 5,000 targeted in last year's budget. The cuts include the elimination of 200 nursing positions.

* In Tasmania, a coalition Labor-Greens government is eliminating 1,100 jobs, including 600 from the Health Department.

The entire political establishment, Labor, Liberal and Greens, is determined to proceed with the austerity measures demanded by the corporate and financial elite and the international credit rating agencies. Further cuts to public sector jobs and basic social services will be imposed as the economic crisis deepens.

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