



THE UNIVERSITY OF ADELAIDE

DEPARTMENT OF SOCIAL INQUIRY

**THE IMPACT OF VOLUNTARY REDUNDANCY ON
WORKERS WHO LEFT THE AUSTRALIAN PUBLIC
SERVICE AGED OVER 50**

**A thesis presented to the Faculty of Arts of the University of Adelaide
for the Degree of Master of Arts (Women's Studies)**

**MARGARET ANNE WOODCOCK
JULY 1999**

TABLE OF CONTENTS

Introduction	1
Chapter 1 Literature Review	5
Chapter 2 Methodology	35
Chapter 3 The Australian Public Service (APS) and Demographic Characteristics of Survey Respondents	44
Chapter 4 The Voluntary Redundancy Experience	65
Chapter 5 Life After Voluntary Redundancy	88
Conclusion	106
Appendix A	113
Appendix B	114
Bibliography	125

LIST OF TABLES

Table		Page
1	Permanent staff in the Australian Public Service	48
2	Age group by gender as percentage of total of permanent APS staff	49
3	Appointments of permanent staff by age group and gender as a percentage of total staff	49
4	Permanent part-time staff by gender as a percentage of total permanent staff	50
5	Temporary APS staff by age group and gender as a percentage of all temporary staff, 30 June 1998	51
6	Permanent APS staff by gender and numbers as a percentage of total staff in agency and percentage of permanent staff aged 50 and over in selected agencies 30 June 1998	51
7	Selected classifications and salary ranges for APS staff at 18 June 1998	52
8	Permanent APS staff by classification and gender as a percentage of total staff	53
9	Retrenchments of permanent staff by gender 1988-89 to 1997-98	53
10	Retrenchments of permanent APS staff by classification and gender as a percentage of total retrenchments	53
11	APS agencies with most retrenchments per year, with numbers of staff retrenched	54
12	Separations of permanent staff by type of separation and gender, 1988-89 to 1997-98 as a percentage of total separations	55
13	Retrenchments of gender and age group over ten years as a percentage of total retrenchments	55
14	Retrenchments by length of service and gender over 4 years as a percentage of total retrenchments	56
15	Survey respondents' length of service in range of years and whether service was broken, by numbers in gender groups	57
16	Survey respondents by number in marital status category	57
17	Percentage of married and unmarried respondents	58
18	Survey respondents by gender and post secondary qualifications	58
19	Age of survey respondents at voluntary redundancy	59
20	Classification of survey respondents at voluntary redundancy	59
21	Classification by gender – percentage of total respondents	60
22	Numbers of women and men respondents and year of voluntary redundancy	65
23	Main reasons for joining the Australian Public Service as a percentage of gender group	66

24	Main reasons for being in APS prior to voluntary redundancy as a percentage of gender group	67
25	Main reasons for taking voluntary redundancy as a percentage of gender group	67
26	Were respondents coerced into taking voluntary redundancy as a percentage of gender group	71
27	Amount of redundancy pay out – range in thousands of dollars as numbers and by percentage of gender group	74
28	How respondents spent redundancy pay out as numbers and as percentage of gender group	76
29	Would respondents have continued in APS as percentage of gender group?	77
30	How respondents took superannuation as percentage of gender groups	81
31	Amount of superannuation received (range) by gender groups	82
32	Did respondents have broken service by number and gender group?	83
33	Intentions about seeking work prior to taking voluntary redundancy by percentage of gender group	88
34	Main reasons why intended to seek work by percentage of gender group	89
35	Numbers undertaking courses before and after voluntary redundancy as a percentage of gender group	90
36	Prior to voluntary redundancy – respondents’ views of chances of obtaining work as a percentage of gender group	91
37	Length of service, approximate voluntary redundancy pay out, superannuation lump sum and approximate annual pension of respondents who sought work after redundancy	92
38	After voluntary redundancy – changes of getting work by percentage of gender group	94
39	Current work – respondents working during survey period as a percentage of gender group, job similarity to APS and whether like current job more than APS job	94
40	Current salary during survey period compared to APS salary by percentage of gender group currently working	96
41	Sources of income during survey period by percentage of gender group	97
42	Current income – personal and household range by gender group	99
43	Main changes to lifestyle after voluntary redundancy by percentage of gender group	101
44	Any regrets about taking voluntary redundancy by percentage of gender group	101
45	Voluntary / Community work by percentage of gender group	103

SUMMARY

Retrenchment has become commonplace in Australia in the 1990s as permanent work gives way to part-time, casual and contract work. Popular and academic literature assumes that retrenched workers are male middle-managers and that they are either victims of restructuring and globalisation or self-possessed individuals who can seize the opportunity for change. Older workers are assumed to leave the workforce for retirement.

This thesis provides a more complex picture, at least for former staff of the Australian Public Service. The majority of the staff retrenched from the Australian Public Service were in the lower paid classifications and almost half of the staff retrenched were women. Women are disadvantaged in Australian Public Service, as they are clustered in the lower paid classification levels and are more likely than men to work part time. This has an effect on their annual salary and also on their superannuation benefits.

The retrenched workers who participated in the survey conducted for this thesis accepted the offer of voluntary redundancy, for a variety of reasons. Even when the redundancy appears to be involuntary, the term voluntary redundancy is generally used, and some respondents felt that they were coerced into taking voluntary redundancy. The respondents are all aged over 50 and the majority have not withdrawn from the workforce

The women in the study were disadvantaged by their lower years of service and lower classifications compared with the men. From a financial point of view, the gender differences were considerable with women receiving the lowest amount of voluntary redundancy pay outs, superannuation lump sums and the lowest annual pensions. There were also gender differences in the income of the respondents who continued in the labour force after voluntary redundancy. Women were more likely than men to be working part time and no women received an income greater than in their previous public service jobs.

DISCLAIMER

This work contains no material which has been accepted for the award of any other degree or diploma at any other university or tertiary institution and, to the best of my knowledge and belief contains no material previously published or written by another person except where due reference is made in the text.

I give consent to this copy of my thesis, when deposited in the University Library, being available for loan and photocopying.

Signed

Date 14 July 1999

ACKNOWLEDGEMENTS

The author wishes to thank survey respondents and interviewees who gave so generously of their time, opinions, experiences and feelings.

Thanks also to Professor Chilla Bulbeck, and to family, friends and workmates for their support.