



Adult Multicultural Education Services

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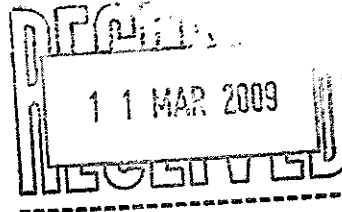
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Our ref.: NSW Staffing 0209

10 March 2009

Ms Karen Batt
Branch Secretary
SPSF Group Victorian Branch
Community & Public Sector Union
PO Box Richmond East
Victoria 3121



Attention: Mr Robert Laird

Dear Ms Batt,

AMES business imperatives and implications for NSW staff profile

I am writing to you confirming advice provided to the CPSU (Mr Robert Laird and Ms Nos Hussein) on Friday 6 March 2009 regarding the need for AMES to reduce its NSW staff levels due to a number of factors detailed below.

As explained by Mr Troy Fryar (General Manager – Employment), 2008 was a difficult year for AMES Sydney Employment operations which recorded a loss totalling \$1.8m as a consequence of lower than expected revenue coupled with a high cost base. In the interests of staff and in an effort to improve on service delivery and performance, staffing levels were maintained despite the significant business level reductions in August 2007. Unfortunately we are now unable to sustain this cost base and we need to act by reducing staff levels.

In view of the current and projected deteriorating economic conditions and their anticipated impact on the number of available job vacancies by which AMES generates revenue, this position has now become unsustainable. AMES job placement outcomes decreased by 25% in 2008 compared to 2007.

The worsening impact of the current economic conditions will continue to have a significant impact on the ability of AMES to achieve job placements during 2009. The resultant impact on revenue will continue to be significant with further losses expected.

AMES uses a business model to assist it to predict projected revenue and staffing requirements for budgeting purposes. The model utilises business levels determined by the Department of Education, Employment and Workplace Relations (DEEWR) and applies client caseload ratios to determine the staffing levels on a site by site basis.

Based on current caseloads, AMES business model indicates that the Sydney operations are overstaffed by 19.78 full-time equivalent (FTE) staff.

As also communicated to the CPSU, notwithstanding the number of surplus positions identified, in the current circumstance of increasing unemployment and therefore caseloads, AMES intends limiting its staff reduction to 10 FTE staff rather than the full 19.78 FTE staff. AMES has decided that the most appropriate approach is that surplus positions filled by fixed term contractual staff be identified.

Regretably, AMES has been unable to identify any viable alternative course of action including redeployment.

All affected staff are being advised individually by their Manager and a member of the Human Resources Division early this week. The General Manager - Employment is meeting with remaining staff to allay any concerns they may have.

All affected staff will receive payment in lieu of notice in addition to any relevant outstanding accrued entitlements. Human Resource Divisional staff will be able to assist staff to arrange for counselling and reasonable outplacement assistance should they wish to avail of these services. In this regard, AMES will provide staff with specialist outplacement services to assist them with appropriate employment strategies, resume preparation and so on.

It is with great regret that AMES takes this action however it is the only viable one in view of the unsustainable nature of the current circumstances.

Should you require any further information please do not hesitate to contact either Mr Bill Bardsley on 9938 4235 or Mr Matthew La Riccia on 9938 4603 in the first instance.

Yours faithfully



Robin Allen
General Manager Human Resources

cc AMES Chief Executive Officer; General Manager - Employment