



# Offshoring Our Future

Vicki, Support Services Manager, Legal industry

“ Large commercial law firms are offshoring discovery of documents, word processing, IT, and human resources. ”



Serah-Jane, Customer Service, Utility Sector

“ It’s a very vulnerable situation when you live in a regional area, because you don’t have a bigger pool of employment options. ”



Roger, Operations Manager, St George & BT

“ You can’t compete with the labour costs overseas so it has to be a some kind of government crack-down on big businesses to say you need to employ local. ”



Christine, Senior Support Consultant, Westpac

“ It will decimate the IT industry in Australia. ”



Leandro, Administration Officer, formerly of EnergyWatch

“ I opened the letter and it said I was being made redundant, because my job was going overseas to New Zealand. ”



Brad, Office Manager, formerly of EnergyWatch

“ It’s only going to get worse as companies see cost cutting in other countries as a viable option. ”



Andrew, Infrastructure Technical Lead, St George

“ I just can’t understand why there aren’t rules to stop it happening. ”

# Stop Offshoring Our Future

The services sector makes up 70% of the Australian economy, and employers in this sector are more profitable than they have ever been. These jobs are highly skilled and important jobs yet thousands of Australian white collar jobs are under threat.



Even though they can afford to invest in jobs and skills in Australia, our big services sector companies are in a wages race to the bottom. A race that no-one can win.

There is a white collar jobs crisis in Australia. White collar jobs are under sustained attack, and the chief threat is offshoring... There is too much at stake for this to be ignored any longer... Doing nothing is not the solution.

## Facts

**More than 18,000 Australian finance and administration jobs have been offshored in the last five years.**

The occupations offshored include: **payroll, HR, administration, document processing, data entry, call centre jobs, IT, sales.**

By and large the employers offshoring Australian jobs are our biggest, most profitable companies.

**ANZ, Qantas, AXA, EnergyWatch, Citigroup, Virgin Australia, Diners Club International, Mindpearl, Hutchison Telecommunications, Macquarie Bank, Jetstar, Optus, NAB, Coles Myer / GE Consumer Finance, St George, Suncorp, IBM, Westpac, AGL, Telstra**

**850,000 Australian jobs are at risk to offshoring by 2018** - *The National Institute of Economic and Industry Research (NIEIR), 2008*

**67% of jobs offshored are finance/ accounting (36%) and procurement (31%)** - *Macquarie Uni, 2012*

## Headlines:

*Herald Sun, 29 June 2011*

**Profits first as jobs go offshore**

**Westpac, ANZ to outsource jobs to India**

George Liondis  
Westpac will send as many as 100 jobs overseas in a bid to cut costs

financial crisis in 2009. Meanwhile, ANZ has told 150 employees that their positions were being considered for outsourcing to the

Weak demand for loans from mortgage and business customers this year is

not want to take up redundancy offers. "We suspended outsourcing two years ago," the spokesman said.

*Australian Financial Review, 29 June 2011*

**Suncorp outsource study provokes union**

*AFR, 12 June 2011*

**Call Australia home: push to contain Qantas** - *Sydney Morning Herald, 3 Nov 2011*

**Qantas tech booked for India** - *The Australian, 24 Oct 2006*

**IBM to offshore 150 jobs, says union** - *ZDNet.com.au, 18 Feb 2010*

**IBM has begun offshoring: union** - *The Daily Telegraph, 20 Oct 2006*

**Qantas jets 340 NSW jobs to India** - *ABC Online, 8 Mar 2011*

## Australians have strong views on offshoring Australian jobs

**89%** agreed that the Federal Government should act to protect Australian workers from losing jobs because the work is being sent offshore

**96%** agree that Australian companies have a responsibility to invest in Australian jobs and skills

**91%** agree that their personal information should not be stored offshore without written permission

*Source: FSU Better Banking public survey 2010*

## Roadmap

Australia has long been a services sector based economy.

Offshoring in the services sector is a short term strategy.

It will not grow this sector. It is not in the best interests of Australian workers or customers.

Australia needs to have a sector that can keep up, if not set the pace.

The top ten in-demand jobs of 2010 didn't exist in 1990

300 billion GB of unique data will be generated this year. That's more than in the past 5000 years.

We have the people, we have the skills - we can't miss this opportunity.

White collar jobs are the Australian jobs of the future. But we need a plan to secure this future.

## Immediately we must:

1. Review the tax system to remove any incentives or other benefits to offshore;
2. Create incentives for companies to maximise our skilled workforce in Australia;
3. Introduce consumer consent legislation so Australians can support local businesses.

Australia needs a long term, comprehensive plan for the services sector.

We need a Federal Government coordinated group that includes all the relevant players i.e. Government (State & Federal), industry, employer and employee representatives, and education/training representatives. And we need it now.

**We have a plan for our sector's future. We need your help to put it into action.**



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