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By your side

Monday 22nd June 2020

Senator the Hon. Anne Ruston
Minister for Families and Social Services
senator.ruston@aph.gov.au

Dear Minister,

Re: SACS funding issues arising out of Award increase

I write to you regarding an urgent funding issue arising out of the Award increase in the Social and Community Services Sector. I am extraordinarily proud of the work our members do to ensure the continuity of vital community services to the Australian people throughout this Pandemic. ASU members working in the community sector have shown their commitment and dedication to their work and the vulnerable members of our community who rely on their services throughout these incredibly uncertain and challenging times.

Our members have been completely focussed and dedicated to ensuring continuity of service in a way that is responsive and safe for workers and for the community.

This has come at considerable personal dedication and cost for front-line workers who have grappled with increasing demand for services, intensification of work and additional complex needs of clients as the wider community struggle with increasing levels of hardship caused by the global health pandemic and subsequent public health and economic impacts.

The Fair Work Commission (FWC) on Friday 19th June 2020 handed down their decision in the Annual Wage Review (AWR). This year's deliberations were made by a specially appointed "expert panel" who could consider not just the many interested party submissions, but also the emerging economic data.

The decision awards a wage increase of 1.75% to all minimum wage and award reliant workers. This wage increase applies to the social and community services industry and is applied in addition to the Equal Remuneration Order increase that is payable from 1 December 2020.

The FWC considered two questions in their deliberations this year: the quantum of the increase and when such an increase should become payable to workers. In considering the second matter the FWC has determined that the 1.75% increase should become payable to workers in different industries at different times depending on the impact of COVID-19 on each industry.

Appropriately, the FWC has determined that workers in the Social, Community, Home Care and Disability Services industry should receive the 1.75% wage increase from 1 July 2020. This is a view that is strongly supported by the ASU.

Whilst we believe that the extremely dedicated workforce of the community sector deserves a higher pay increase than the 1.75% increase determined by the FWC we accept this decision.

We are now concerned that with the Government's decision to delay the federal budget until later in the year, that the community sector cannot wait for their funding to be indexed by the Federal Government to meet the increased organisational costs associated with a wage increase that is payable from 1 July 2020.

Services are grappling with increased demand already and their workers have provided all the goodwill that they can to meet this increased need inside the funding that they currently receive. If services do not receive sufficient funding indexation urgently it will have a detrimental impact on their ability to deliver services to the community.

I am writing to request your urgent consideration of providing funding indexation to Federal Government funded community services from 1 July to meet their increased costs of a 1.75% wage increase that is payable by 1 July.

The sector has worked tirelessly through this global health pandemic. They have been agile, resourceful, and dedicated. They have supported the most vulnerable members of the Australian community through unprecedented times of exclusion and hardship.

They have earned this pay raise and they now need the Federal government's support to ensure that they can continue their essential good works on your behalf.

Thank-you for your prompt consideration of this important matter. I am available to meet or discuss any questions that you may have. I can be contacted at lwhite@asu.asn.au.

Yours faithfully

A handwritten signature in blue ink that reads "L White". The signature is written in a cursive style with a large initial "L".

Linda White
ASSISTANT NATIONAL SECRETARY