

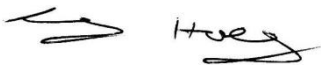
# 2014 PRE-BUDGET SUBMISSION

to

## The State Government of Western Australia

### December 2013

Authorised on behalf of Community Employers WA by:



Chris Hall  
Co Chair



Tony Pietropiccolo AM  
Co Chair

## Introduction

Community Employers WA (CEWA) is a registered Employer Organisation with the Industrial Relations Commission of Western Australia, and represents non-government, not-for-profit employers in the community services sector of Western Australia.

CEWA's objectives are to address the 30% differential between salaries paid to staff in non-government community service organisations and those paid in the public sector so that they are fair and just, to work with the Community Sector to ensure the sustainability and viability of vital community services, and to improve the community sector's relationship with Government.

CEWA is solely funded by its member organisations, which demonstrates both the commitment of these organisations and the importance they place on achieving CEWA's aims and objectives.

CEWA currently represents 122 community service organisations in Western Australia and its membership continues to grow along with its increasing importance in representing the interests of community sector employers. (See Appendix 1). Our members in turn employ more than 10,000 staff in both metropolitan and regional areas.

Community Employers WA is not a peak body. It seeks to collaborate and cooperate with existing peak and other representative bodies which have aims and objectives similar to CEWA.

## Profile of the Not-for-Profit Community Services Sector in Western Australia

- There are over 550 not-for-profit organisations associated with the Human Services Industry in Western Australia which support over 400,000 Western Australian's annually.
- The Human Services sector employs over 36,000 staff in Western Australia.
- Public sector base level salaries are up to 40% or \$24,865 higher than equivalent staff positions in the community sector SCHADS Award, inclusive of PBI salary packaging benefits. On average, there continues to be a 30% salary differential between roles in the Community Sector and the Public Sector.
- A first year graduate base grade social worker in the public service will earn \$12,928, or 23% more than a first year graduate social worker in the community sector for undertaking the same role.
- Women in the Health Care and Social Assistance Sector are paid 28% less than men, and WA has the widest gender pay gap of any State. The national average gender pay gap (GPG) is 17% and WA has had a larger GPG than the national average since the late 1980s. The fact that the community services sector is large (the second-largest employer of women in WA), female-dominated (80.8% female) and lowly paid means that more equitable wages for the sector would have a significant effect on the gender pay gap in Western Australia.
- Salary packaging in non-government, not for profit organisations is considered a 'benefit' that increases the value of remuneration. However, not all organisations are able to access it (it is limited to Public Benevolent Institutions) and it is also available in certain Government Departments. Equally, not all staff are able to access it or wish to use it. There have been

no indexation changes since its inception, and, combined with changes to the taxation scales, has eroded the value of salary packaging.

- The insecure work or temporary work is rife within the community services industry due to poor wages and conditions and short funding periods. Government funding models shape workforce dynamics in non-profit agencies. Where projects are funded in the short-term only (usually considered three years or less), employees would be expected to have similarly short-term patterns of tenure
- Because of the demand for services, the NFPO community services sector continues to be one of the fastest growing in Australia.
- There has been insufficient attention to capacity building and sustainability in the face of rapid growth since the 1980s.
- The compliance costs of reporting and monitoring are an ongoing concern for agencies for which Government agencies are not making sufficient allowance in funding.
- The demands placed on an increasingly diverse and complex service delivery emphasises the need for high level and renewable skills.

## Recommendations

CEWA has four key recommendations for the Western Australian Government to consider in its deliberations for the 2014/15 Budget.

1. NDIS and self directed services will over time re-shape the delivery of services and support to the Disability sector. CEWA is supportive of NDIS on the basis that the services remain sustainable and recommends that the Western Australian Government **supports workforce planning and capacity development in the Community Sector**. It is essential that organisations continue to prepare for the changing environment that NDIS will create and it is imperative that the Government works more closely with Employers in the Sector to help them develop innovative and flexible strategies to respond to the new model of service delivery. Areas where the Government should continue to provide appropriate resources include **additional training and development for Community Services Sector Employers, ongoing education on procurement reform and in particular support for Regional Employers across Western Australia**. We note that WACOSS has similarly called for additional State Government funding in this area and are supportive of their call for an additional \$8 Million in funding for Sector capacity development.

One area which is of particular interest to CEWA members with regard to NDIS is the inclusion of Mental Health in NDIS. Whilst we acknowledge that NDIS is a Commonwealth initiative, we are cognisant of the important role that the State will play in the evolution of NDIS and of the trial sites currently running in various locations. It is imperative that appropriate funding be allocated to support the consumers with Mental Health issues who are transferred into NDIS and that the State Government works closely with the Commonwealth to minimise the risk of people not receiving necessary funding. The

implications of not doing so are potentially significant and could negatively impact hospital Emergency departments, Mental Health Clinics and other service providers who may no longer be resourced to provide necessary support.

2. CEWA believes that for Western Australia to maintain a strong Civil Society, we need to have a strong and sustainable Community Services Sector. We have been appreciative of the support the Premier and the Government have provided to the Sector over recent years and are cognisant of the work of the Partnership Forum and other agencies in working together to enhance outcomes. This work is however not complete and it is important that we collectively 'stay the course', particularly in the changing environment we now face. NFP Community Services Sector employers need to be supported in their local communities as the benefits they provide are significant. Their connectedness to communities, their use of volunteers and sourcing of philanthropy, together with their innovative and localised programs are unique features that we do not want lost. We have seen in the Job Services Network over the last 15 years, a major consolidation of service providers (from 330 to less than 100) and a 'dumbing down' of innovation to focus solely on ensuring contracts are renewed at whatever the cost. Now we hear that some JSA providers are complaining that their financial returns are insufficient and that they are considering withdrawing from contracts. If the Community Services Sector is forced to follow in their footsteps, the risk we see is a real and lasting weakening of Civil Society, of the fabric which makes our Communities strong.

**Our recommendation is that Government continues to support a vibrant and sustainable local Not For Profit Community Services Sector.** This may be through the retention of the DSCP Policy, through localised purchasing or through working with peaks and organisations on sustainability of services. The Partnership Forum and working groups should also be maintained and supported as they provide a clear line of sight for Community Sector Employers and Government to work together in a constructive and mutually beneficial way.

3. Commonwealth and State relations continue to be important in supporting the Community Services Sector. Many programs are jointly funded, with the funding sometimes managed by the State. We would also ask that the State Government continue to lobby the Federal government in finalising the SACS ERO payments and funding the WA Industrial Relations Commission order. Similarly, CEWA is keen for the State Wage Indexation Policy to be adopted by the Commonwealth. Whilst each of these areas has no material State Budget implications, they are critical to a sustainable community services sector in WA and the government should seek to raise and resolve these issues with their Federal counterparts as a priority. **We would encourage the State to continue appropriately resourcing and up-skilling its staff to ensure that timely and meaningful outcomes in discussions with the Commonwealth are achieved for employers in the Community Services Sector**
4. The Reduction of Red Tape is now a well used and somewhat generic term adopted by many sectors, both State and Commonwealth. In its essence however, is a real and present

concern that the level of reporting and administrative burden continues to increase. When a number of CEWA members who have been working in the Community Services sector of WA for 30-40 years tell us that they have never seen the level of reporting as high as it currently is, we should all pause and ask why and more importantly, how can we reduce it. CEWA appreciates that there are committees of Government working on reducing red tape, however we are yet to see much tangible progress. **Our recommendation is that the State Government allocate appropriate resources to reducing red tape and that meaningful goals and reporting of what is achieved are set.**

## **Concluding comment**

CEWA and the Community Sector acknowledge the work undertaken by the current Western Australian State Government to engage more proactively with the sector over the past 2 ½ years and the increased support has in turn enabled a higher level of services to be provided to those in need across the community. The funding provided through the Component I and Component II rollout has also assisted in reducing the inequity between the community sector and the public & private sectors, although there remains a requirement for further investment and funding to fully address the imbalance.

We again look forward to working with the government over the next 12 months as we continue to focus on building a more just and equitable society and as we seek to support Community Employers in their critical work with the marginalised in our community.

## *Appendix 1: CEWA Members as at December 2013*

Aboriginal Legal Services of WA Inc  
Accordwest  
Activ Foundation Inc  
Advocacy South West Inc  
Advocare  
Albany Youth Support Association  
Alzheimer's Australia WA  
Anglicare WA Inc  
ARAFMI  
Armadale Community Family Centre  
Association for Services to Torture & Trauma Survivors (ASeTTS)  
Association for the Blind WA  
Asthma Foundation WA Inc.  
Australian Red Cross WA  
Baptistcare  
Beehive Industries of WA  
BJL Connecting Communities  
Bluesky Community Group  
Bunbury Pathways '92 Inc.  
Burdekin – Youth in Action  
Calvary Youth Services Mandurah Inc  
Care Options  
Centacare Employment and Training  
Centacare Family Services  
Centrecare Inc  
Child Inclusive Learning and Development Australia Inc (CHILD Australia)  
CLAN WA  
Coeliac Western Australia  
Communicare  
Community Housing Coalition of WA  
Community Legal Centres Association (WA) Inc  
Community Vision Inc  
ConnectGroups  
Continence Advisory Service of WA  
Cyrenian House  
Derbarl Yerrigan Health Services Inc  
Ethnic Communities Council of WA  
Ethnic Disability Advocacy Centre  
Extra Edge Community Services  
Financial Counsellors Association of WA Inc.  
FPWA Sexual Health Service  
Fremantle Multicultural Centre Inc  
Good Samaritan Industries  
Gosnells Women's Health Service  
Headwest  
Health Consumers Council (WA) Inc  
Holyoake The Australian Institute For Alcohol & Drug Addiction Resolutions  
Hope Community Services  
Identity WA  
Inclusion WA  
Interchange  
Ishar Multicultural Women's Health Centre Inc  
Kids Camps Inc  
Koolkuna (The Eastern Region Domestic Violence Services Network Inc)  
LAMP Inc  
Landsdale Family Support Association Inc  
Lifeline WA  
Linkwest

Margaret River Community Resource Centre Inc  
Meath Care Inc  
Melville Cares Inc  
MercyCare  
Metropolitan Migrant Resource Centre  
Midland Joblink Inc.  
MIFWA  
Mission Australia  
Mosaic Community Care Inc  
Multicultural Services Centre of Western Australia Inc  
National Disability Services WA  
Ngala Family Resource Centre  
Nulsen  
Outcare (Inc)  
Palmerston Association Inc  
Parkerville Children Youth Care Inc  
Pat Thomas Memorial Community House Inc.  
Patricia Giles Centre  
Peel and Rockingham Volunteer Resource Centres  
Peel Community Living  
People with Disabilities (WA)  
Perth Home Care Services Inc  
Relationships Australia (Western Australia) Inc  
Richmond Fellowship  
Rise Network  
Rocky Bay Inc  
Ruah Community Services  
Secca  
Serenity Lodge  
Silver Chain  
South Coastal Women's Health Services  
Southcare Inc  
Southside Care  
St Bartholomew's House  
St Patrick's Community Support Centre  
St Vincent de Paul Society  
Swan City Youth Service  
Swan Emergency Accommodation  
Technology Assisting Disability WA  
The Gowrie (WA) Inc  
The Salvation Army  
The Spiers Centre Inc  
The WA Aids Council  
Therapy Focus Inc  
Uniting Aid  
UnitingCare West  
Valued Independent People Inc  
Vincentcare  
Volunteer Task Force Inc.  
WA No Interest Loans Inc.  
WANADA  
Wanslea Family Services Inc  
We Can Community Services  
Westcare Inc  
Western Australian Association for Mental Health  
Western Australian Council of Social Service Inc  
Women's Council for DFV Services (WA)  
Women's Health Resource Centre  
Women's Health Services  
Women's Healthworks

YMCA Perth  
Youth Focus  
Youth Futures WA  
Accordwest  
Activ Foundation Inc  
Advocacy South West Inc  
Advocare  
Albany Youth Support Association  
Anglicare WA Inc  
ARAFMI  
Armadale Community Family Centre  
Association for Services to Torture & Trauma Survivors (ASeTTS)  
Association for the Blind WA  
Asthma Foundation WA Inc.  
Australian Red Cross WA  
Baptistcare  
BJL Connecting Communities  
Bluesky Community Group  
Bunbury Pathways '92 Inc.  
Burdekin – Youth In Action  
Calvary Youth Services Mandurah Inc  
Care Options  
Centacare Employment and Training  
Centacare Family Services  
Centrecare Inc  
Child Inclusive Learning and Development Australia Inc (CHILD Australia)  
CLAN WA  
Communicare  
Community Housing Coalition of WA  
Community Legal Centres Association (WA) Inc  
Community Vision Inc  
ConnectGroups  
Continence Advisory Service of WA  
Cyrenian House  
Derbarl Yerrigan Health Services Inc  
Drug ARM WA Inc  
Ethnic Communities Council of WA  
Extra Edge Community Services  
Financial Counsellors Association of WA Inc.  
FPWA Sexual Health Service  
Fremantle Multicultural Centre Inc  
Good Samaritan Industries  
Gosnells Women's Health Service  
Headwest  
Health Consumers Council (WA) Inc  
Hills Community Support Group Inc.  
Holyoake The Australian Institute For Alcohol & Drug Addiction Resolutions  
Identity WA  
Ishar Multicultural Women's Health Centre Inc  
Kids Camps Inc  
Koolkuna (The Eastern Region Domestic Violence Services Network Inc)  
LAMP Inc  
Landsdale Family Support Association Inc  
Lifeline WA  
Linkwest



Margaret River Community Resource Centre Inc  
Meath Care Inc  
Melville Cares Inc  
MercyCare  
Metropolitan Migrant Resource Centre  
Midland Joblink Inc.  
MIFWA  
Mission Australia  
Mosaic Community Care Inc  
Multicultural Services Centre of Western Australia Inc  
Noah's Ark WA  
Ngala Family Resource Centre  
Nulsen  
Outcare (Inc)  
Palmerston Association Inc  
Parkerville Children Youth Care Inc  
Pat Thomas Memorial Community House Inc.  
Patricia Giles Centre  
Peel and Rockingham Volunteer Resource Centres  
Peel Community Living  
People with Disabilities (WA)  
Perth Home Care Services Inc  
Relationships Australia (Western Australia) Inc  
Richmond Fellowship  
Rocky Bay Inc  
Ruah Community Services  
Secca  
SEMYA  
Serenity Lodge  
Silver Chain  
South Coastal Women's Health Services  
Southcare Inc  
Southside Care  
St Bartholomew's House  
St Patrick's Community Support Centre  
St Vincent de Paul Society  
Swan City Youth Service  
Swan Emergency Accommodation  
Technology Assisting Disability WA  
Tenants Advice Service  
The Gowrie (WA) Inc  
The Salvation Army  
The Spiers Centre Inc  
The WA Aids Council  
Therapy Focus Inc  
Uniting Aid  
UnitingCare West  
Valued Independent People Inc  
Vincentcare  
Volunteer Task Force Inc.  
WA No Interest Loans Inc.  
WANADA  
Wanslea Family Services Inc  
We Can Community Services  
Westcare Inc

Western Australian Association for Mental Health  
Western Australian Council of Social Service Inc  
Women's Council for DFV Services (WA)  
Womens Health Resource Centre  
Women's Health Services  
Women's Healthworks  
YMCA Perth  
Youth Focus  
Youth Futures WA