



# COMMUNITY EMPLOYERS WA

## **TONY PIETROPICCOLO    who we are and what we want**

Thank you all for joining us this morning. My name is Tony Pietropiccolo.

I would like to begin by acknowledging the Nyungar people, on whose land we meet this morning. My respects to their elders both past and present.

It is my role this morning to tell you a little about our new organisation – Community Employers WA

Community Employers WA represents non-profit employers in the community sector in a quite specific and important way.

This new organisation has been created because community employers have for too long felt that the needs of their organisations and the people that work within them have not been taken seriously enough by government and others.

Our initial membership includes 29 organisations both large and small. Our group has been working for nearly a year to establish an employer body to give a voice to the whole non-government community service sector to secure a sustainable level of funding for the services we deliver. This is not an exclusive group and any non-profit, community organisation that employs people is more than welcome to join.

Community Employers WA does not seek to replace existing peak and representative bodies or to compete with them. It is our view that such groups play an important role in helping all of us to achieve a better West Australian community. Community Employers WA will make every effort to cooperate with anyone whose aims and objectives are similar to ours.

Community Employers WA has very specific and clear objectives. It is a body that will provide non-profit employers with a means to achieve:

- A 30% increase in the level of funding for service agreements with government and use this increase in income to:
  - Improve the pay and conditions of our workers;
  - Meet increases in operating costs;
  - Ensure the ongoing sustainability of our organisations and the community services they provide.
- An improved relationship with government. This new relationship will be one that:
  - focuses on the most effective and efficient way of delivering services to the people of Western Australia and is not overly burdened with red tape
  - recognises and respects the inter-dependent and indispensable nature of this relationship
  - is based a mature relationship between community employers and government.

Community Employers WA is not a typical employer body. It is different in that it wants to see workers treated fairly and paid well; it is not concerned with ensuring maximum profits for its members and is fully committed to cooperating with others to achieve a strong and

healthy West Australian community.

We believe that the establishment of Community Employers WA is an historical event of great importance as it is the first time that a large number of non-profit community organisations have come together in WA as employers to address issues that are crucial to organisational and employee wellbeing.

This coming together was founded on growing concerns for the sustainability of service providers and the lack of appropriate rewards for employees. We believe that Community Employers is a positive and creative response to these concerns.

We are proud to be launching this new entity today. You will find a letter on your tables containing more information about CEWA and a membership form. So, please, if you feel as strongly about our aims as we do - get involved!

Thank you very much.

### **CHRIS HALL    why CEWA**

My task is to briefly explain why - as employers – we have come together to establish Community Employers WA.

CEWA has been established as a vehicle to specifically represent not-for-profit employers in the non-government sector which provide essential and indispensable services to vulnerable people throughout Western Australia.

CEWA has been established because we believe we need multiple and additional strategies to convince government to hear our messages.

Today, as employers, we add our voice to the calls of the trade unions, WACOSS, and other community sector peak bodies to achieve our common aims.

To date, we have not been heard or heard only in a very partial way by government.

Our staff, all 36,000 plus of them, are the back bone of our organisations. They are the frontline workers. They are at the coalface.

Without them, we cannot deliver the services that the people of Western Australia need and rightfully expect.

As a group of employer organisations, we are encountering a raft of challenges specific to the community sector.

Fundamentally, these stem from government funding levels that are grossly inadequate:

- To pay fair and just salaries to our staff
- To compete with both government and business sectors in relation to attracting and retaining staff
- To attract and retain suitably qualified staff in the face of escalating demand for our services and an increasing complexity in that demand
- To maintain viable organisations that also sustain the delivery of quality services

Our research shows that in 2006/07:

- Average weekly earnings for employees of community employers were 30% lower

than average full time equivalent weekly wages for the overall health and community services sector in Australia

- The average cost of employing staff in the community sector was \$53,000 per FTE; at the same time the average cost of employing staff in the Department for Child Protection was \$71,000 per FTE; a difference of \$18,000 or 35% higher.

Today, the wages gap continues.

The difference in base level salaries between public sector specified calling salaries compared to salaries for equivalent staff positions on the SACS Award in the community sector is up to 34% or \$26,000 higher.

A first year graduate base grade social worker in the public service will earn \$10,500, or 21% more, than a first year graduate social worker in the community sector.

After reaching the top level in the public service, the same base grade social worker will receive \$26,000, or 34% more, than their equivalent in the community sector.

In this year's State Budget, the increase in public sector wages is estimated at 82%. Compare that with the 4.35% indexation rate that will be applied by government to community sector funding.

Salaries in the community sector are not competitive let alone just and fair, and need to be urgently addressed.

And we will not stop there.

In WA in the last year:

- Three quarters of community employers report waiting lists have stayed the same or worsened
- Half of the community employers say that the complex needs of our clients have increased
- Demand for services has increased by 30%
- An overwhelming proportion of community employers report that government funding is inadequate

These differentials and other burdens placed on community employers and their staff mean that staff turnover is high.

Two thirds of staff report that the amount of unfunded work by staff and volunteers has increased significantly compared with this time last year.

Increased numbers of people are being turned away from services due to a lack of capacity to deliver.

If these problems are not seriously addressed some organisations will cease to exist and more importantly the services they provide will stop.

The rest will struggle to maintain their existing staffing levels, while trying to deal with a significant increase in demand.

The community sector urgently needs increased operating funding if essential community services are to be sustainable.

The community sector is a major contributor to the economy of Western Australia in terms of revenue, GDP and employment.

Friends, we have a compelling case to put before government.

It is time that government stopped taking the community sector for granted.

It is time that government ceased undervaluing the contribution of community employers and its employees.

It is time for government to take seriously the needs of community employers and the staff that work within them.

Thank you