



Fair Work Australia decision in the equal remuneration case for community sector workers
Monday 16 May 2011

Initial analysis of decision

- The basis of the equal remuneration case is that community sector workers are being underpaid, which is the result of the gender make-up of the predominantly female community sector workforce. **Fair Work Australia has found that this is the case on both counts:** that the sector does not have equal remuneration compared to state and local government employees; and that this is significantly due to the gender of the workforce in the sector.
- FWA has confirmed the arguments the sector has long been making, that our work is significantly undervalued and that workers must be paid more if we are to ensure the viability and effectiveness of the social services upon which millions of people in Australia depend.
- FWA requires further evidence on the value of that unequal pay, before they can make an order to redress it. In particular, FWA notes that the information provided by governments concerning the cost of the claim has been generally unsatisfactory.
- But funding bodies do not need to wait for an industrial order from FWA. FWA has validated the sector's claim that our workers are underpaid. It is now up to the funders who support this vital work to ensure its ongoing effectiveness by increasing funding to ensure higher pay for community workers.

Summary of decision

- From the evidence presented in the case, FWA has formally confirmed that community sector employees do not have equal remuneration for work of equal or comparable value by comparison with state and local government employment.
- FWA considers gender has been important in creating the gap between pay in the SACS industry and pay in comparable state and local government employment.
- FWA has foreshadowed an industrial remedy to that unequal remuneration, meaning that they are willing to make an order that would address the underpayment of workers in this sector. That remedy may be an equal remuneration order, or an increase to the modern award, or some other alternative.
- FWA indicates that pay increases via the Award could take the form of a specific monetary amount or amounts or a percentage.

For further information on the equal pay case and the campaign for funding, visit:

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- FWA has found that there was no need for a (male) comparator group to be established, for FWA to find that the sector does not have equal remuneration. However it has not received enough evidence about rates of pay and how they compare to be able to determine what increases they should order and how. It notes that the information provided by governments on this point has been generally unsatisfactory.
- FWA has called for further evidence on the extent to which wages in the community sector are lower than they would otherwise be because of gender considerations. Submissions should also address how the amount should be calculated and what it should be.
- Submissions are due:
 - from the applicants (Unions) by 10 June;
 - from the Commonwealth Government by 30 June;
 - from other interested parties by 21 July.
- Further hearings have been listed for 8-10 August 2011 (Melbourne).

Join the campaign for funding

- Now is the time to push harder than ever before to ensure that community services are funded to pay decent wages to the staff that provide such vital support to people and communities in Australia.
- We must ensure that the governments that rely on social services to support their communities increase funding to provide decent pay for this vital work.
- Join ACOSS and your state Council of Social Service in the campaign for funding as we urge governments and all funders to ensure decent wages for this vital work. Add your name to the sector statement demonstrating employer support for equal pay:
http://acoss.org.au/equalpay/sector_statement/
- Use the other resources available to campaign for equal pay to MPs and non-government funders: http://acoss.org.au/equalpay/funding_campaign_resources_kit/
- The COSS network is also supporting the ASU's National Day of Action on 8 June as an opportunity to show how strongly the community sector supports decent wages for the workers who provide vital services to the Australian community.

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