



## ASU Submission

### Fair Work Commission Expert Panel

Annual Wage Review 2021-2022

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## The ASU

The Australian Services Union ('**ASU**') is one of Australia's largest unions, representing approximately 135,000 members. ASU members work in a wide variety of industries and occupations in both the private, public and community sectors.

## ACTU Wage Claim

The ASU supports the Australian Council of Trade Union's ('**ACTU**') claim for 5% increase on all awards effective from 1 July 2022.

The ACTU claim reflects the growing productivity of Australia's workers and the rapidly rising cost of living. It would set a clear standard for pay outcomes in both collective and individual negotiations.

To assist the Commission in its deliberations, we have prepared case studies that demonstrate the importance of the ACTU claim to two groups of workers:

- private sector administrative workers; and
- community and disability services sector workers.

These are two heavily award reliant groups of relatively low-paid workers. The Expert Panel's decision in the Annual Wage Case will have a direct impact on their rates of pay. Most of these workers will only receive the pay increase that is set by the Expert Panel.

## Private Sector Professional Administrative Workers

There are approximately 1.7 million private sector administrative workers in Australia.<sup>1</sup> 74% are women. Professional administrative workers are covered by the *Clerks – Private Sector Award 2020* ('**Private Sector Award**').

Our members in the private sector are feeling squeezed by rising cost of living and stagnant wages. Members need support to be able to plan for their future and families.

### Private Sector Case Study 1

**Holly** is a twenty seven year old part-time administration officer. She is employed by a small business based in Victoria. She is paid at Level 2.2 of Private Sector Award.

'In my workplace I am expected to manage the reception and other administration jobs. I am paid \$24.11 per hour. When I do overtime I don't get paid any more and I don't think it is realistic you can ask for it when you work for a small business.'

'I live in the 43kms to the east of Melbourne because housing is more affordable, but it means I need to drive 40 minutes to work. The petrol keeps rising so the cost of going to work keeps on going up as well. The area does not have access to proper public transport so driving it really my only option.'

'My partner and I are actively trying to have kids, but we can't help to think about how we will manage the cost of taking time off work and providing for them. A 5% pay rise won't stop worrying about our family but it will go a long way to make sure we can cover our costs.'

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<sup>1</sup> Labour Force, Australia, Detailed (6291.0.55.001 - EQ08 - Employed persons by Occupation unit group of main job (ANZSCO), Sex, State and Territory, August 1986 onwards).

'I did not go to university and do not have any formal qualifications. It definitely puts me in a tough position in competing for new jobs.'

Our members need a pay raise to cover the cost of living and to add to their superannuation.

### **Private Sector Case Study 2**

**Rebecca** is a fifty-six year old full-time administration officer. She is paid at Level 3 of Private Sector Award and works in Victoria. Level 3 is paid at \$25 per hour. Rebecca has a Certificate IV in Business Administration.

'Mid-way through my life I divorced my husband. I knew I would face challenges as I had two teenage children at the time. I took significant time off work to raise my children. There was no maternity leave so you lived on whatever your family earned. They are adults now, but it has left me without much savings or superannuation'.

'It's widely known that women retire without enough superannuation. A 5% pay increase will have a twofold benefit for me. It will assist in the cost of living, which keeps on going up, but it will also mean my superannuation is calculated on a better salary. Administration is full of women, and a lot of older women, who took time off to raise their children with very little support.'

'My rent \$330 per week and my salary is \$950.10 before tax. I also need to pay for bills on top of that. I decided to cut out any health insurance because it's too expensive. I am not left with money per week to spend on social activities. I would like to spend more time at a social club or doing social activities but I cannot afford it so spent much of my time at home. I think my mental health suffers for it'

'I won't leave my job for a new one. I enjoy my job and I like my boss. Ultimately, though, he will find every opportunity to save money and do what is best for it. The reality is, the older I get less likely someone will be to employ me. Older workers can be seen a liability and not an asset. The only pay increase I get it whatever the Fair Work Commission gives me.'

### **Private Sector Case Study 3**

**Maria** is a forty-one year old part-time call centre operator. She works directly for a reputable passenger taxi service however she is paid at Level 2 of Private Sector Award is paid at \$24.11 per hour.

'I started this job after I had my first child in my mid-20s. I took a few years on and off for children and returned permanently in my early 30s after I had my last child. I have been working part-time at 25 hours a week for my whole working life. I have been able to pick up shifts from time-to-time to supplement my income. I work part-time so I can look after my children.'

'With all the disruption of the last few years – lock downs and home school - there has been limited opportunities to pick up extra shifts and when it was available, I have felt enormous pressure not to so I could focus on my family. While I am fortunately enough to have had a job, it has meant there is less money coming into our household.'

'I have noticed two types of workers in our call centre. Young workers who are come and go because they are studying and older workers who stay at the call centre because it's our career. We need to take care of everyone but particularly those who are staying for the long-term.'

'We are low paid workers in part-time positions, our incomes aren't great. Everyone can see the cost of life going up – petrol, shopping, and school. Now that school is back, we have the extra fees like camp and sport. A pay increase means that we will be able to cover our essentials.'

## Community and Disability Services Sector

There are approximately 250,000 workers employed in the community and disability services sector.<sup>2</sup> Roughly 75% are women.

Community and disability services sector workers are covered by the *Social, Community, Home Care and Disability Services Industry Award 2010 ('SCHDS Award')*. Minimum pay rates for community and disability sector employees are set by the 2012 Social and Community Services Equal Remuneration Order.

Almost all community and disability sector are paid the ERO rates of pay because most government funding is tied directly to those minimum pay rates. In effect, the Expert Panel decides the value of this work.

### *Community Services*

Community services workers are highly skilled professionals with extensive education and training. They provide essential services to our most vulnerable community members. Unusually, many of those professional workers are also completely award reliant.

#### **C&DS Case Study 1**

**Sharon** is a lawyer and sustainability expert at a peak body for Community Legal Centres working in a capital city. Sharon works with not-for-profit community legal centres to provide essential services to help them be modern, well-governed sustainable organisations. I also work with employees of community legal services.

'I am a qualified lawyer, I am graduate of AICD, and I hold a bachelors in criminal justice degree. I work 32 hours a week and I am paid at SCHDS Award Level 6. I earn just over \$81 thousand per annum.'

'If I was working in government, a consultancy or a private law firm, my pay would be about double what I am paid now. My employer is doing the best it can – there no room for discretionary pay increases in our organisation's budget. My pay will only increase with the Award pay increase.'

'I recently moved house and the rental market in my city is out of control. It's extremely expensive, with a shortage of properties. There is a significant pressure to offer more than the advertised rent.'

'I have noticed at the supermarket, fruit and veg extremely expensive. I am watching carefully what I do spend at the moment. I've found that I am less able to buy new things or go to restaurants.'

'A pay increase, on a rough calculation, would mean about \$70 dollars extra each week. This would make a substantial difference, it would cover my increased rent.'

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<sup>2</sup> Source: Labour Force, Australia, Detailed (6291.0.55.001 - EQ08 - Employed persons by Occupation unit group of main job (ANZSCO), Sex, State and Territory, August 1986 onwards).

'I want tell the Fair Work Commission that the community legal sector work does important work for vulnerable members of our society. Our skills and experience should be recognised, our workers should feel valued. Better pay will mean better services for our communities.'

Our members in the community sector are overworked and underpaid. They deserve a pay increase that maintains the real value of the Equal Remuneration Order.

### **C&DS Case Study 2**

**Sandra** is a Family and Domestic Violence Practitioner. She works on the Gold Coast at a religious not for profit. She is paid at SACS Level 5 of the SCHDS Award.

'A decent wage increase now would improve myself and my co-workers lives immensely due to covid restrictions over the past 2 years and the uncertainty of ongoing work in this sector it would not just be the money value but also the recognition of the value of employees and the work that we all do in this sector.'

'A few of my co-workers who work in 2 different programs in our Gold Coast office have only last week expressed their own concerns regarding management expectations of them completing their work at the end of the day Often it is the complex work and high risk work that we do which we often don't have the capacity to complete when needing to do so. I know of one co-worker who had to take stress leave last week due to her workload.'

'I have also noted that often workers in 2 other programs are starting work up to an hour before they are due to start and will work through their lunch time just to try and complete their work this work is unpaid.'

'In the sector that I work in female workers are the predominant staff and often they have children and work full time if we were awarded a decent wage increase it could allow some staff to consider working part time to balance their work and family life.'

'With the cost of living now so high and the price of rental properties here on the G C increasing and the short supply it has created a problem for some staff.'

### *Disability Services*

Most disability services are funded by the National Disability Insurance Scheme ('**NDIS**'). The NDIS regulates prices for disability services by setting a price cap based on an 'efficient price'. This efficient price is directly tied to the equal remuneration order wage rates and the SCHDS Award. If the SCHDS Award rates of pay are increased, then so will the NDIS hourly pricing for disability. In effect, the decision about the value of this work is in the hands of the Expert Panel

### **C&DS Case Study 3**

**Marcie** is twenty-six and has been a disability support worker for one employer for two years. She works in a residential setting for a medium sized provider in the Hunter Valley.

She is paid \$31 per hour and has a contract for 72 hours per fortnight, although she often works 50 – 70 hours each week with overtime. Marcie works as much overtime as she can so that she can pay her bills.

Marcie supports herself and her three-year-old daughter and has recently bought her own home. She pays more than 50% of her weekly pay on her mortgage.

Marcie works with people who have very high behavioural needs. Many of them have suffered extreme trauma and violence and can themselves quickly become violent. Marcie is currently working with two women who are approved for the use of physical restraints, seclusion, intramuscular injections and other physical means of control.

Marcie and her colleagues have been trained in self-defense and advanced methods of de-escalating violent situations. There have been several occasions when the people with whom she is working have made weapons and attacked the workers.

Marcie has no formal qualifications but would like to complete specialist qualifications if she had the time and money to do so.

'I absolutely love my job. It is really stressful, and I get extremely tired. Sometimes I just burn out. I have to take a break before I go back.'

'Even though they might have tried to kill me one day, if I'm not there the next day, they miss me and are pleased when I go back. 'It takes almost nothing to trigger them, and it can happen in a blink of an eye. So you really have to be constantly aware of what you are doing.' Not everyone can do this work. I've seen people come and they last one day and never come back.'

Marcie says that she is extremely careful with her money, but it is very hard to make ends meet and overtime is not always reliable. She rarely buys anything for herself and does not go out or take holidays.

If she is sick or has a tooth ache, she puts up with it, but can't pay for a dentist or medical appointments or prescriptions for herself.

As well as her small car and mortgage, her biggest expense is childcare for her daughter. 'Even with the subsidy childcare costs me a fortune. 'My dad is wonderful and helps, but I still have to pay for childcare and its very hard to get a place.'

'I always feel guilty and think that my daughter will hate me because I'm never there and I have to get her up so early for me to go to work.'

Marcie says that a pay rise of 5% would make a huge difference to her, particularly now with rapidly rising fuel and other costs

Many disability support workers are single parents. They make do for their children on low wages and irregular hours.

#### **C&DS Case Study 4**

**Leanne** is a fifty nine year old disability support worker, employed on a permanent part time basis for 30 hours per week by a medium sized disability provider in southwestern Sydney for around eight years.

She works as a mentor in a 'Day Program' for people with physical, mobility, intellectual and mental health disabilities. She assists people to maintain their current life skills and develop new living skills, including learning to socialize, self-care, learning to budget, shop, cook, travel using public transport etcetera.

Leanne also works on a casual basis for two other disability providers when there is work available on weekends in a supported living residential program.

She has Certificate IV in Disability and Mental Health and is paid \$31 per hour in her permanent part time position. She is paid as a casual when she works on the weekend.

She has a fifteen-year-old son with a range of disabilities.

There are some additional costs associated with her son's care, including medications, physical aids, special school fees and uniforms, and other similar costs.

Leanne has her own car, which she has owned since 2009.

Leanne's mortgage is 50% of her weekly income. She has a very small superannuation balance and only contributes the minimum required. She has no savings, although she puts money aside in a very disciplined way from each pay so that she can pay her utility bills, pay for food and medication. She never buys new clothes.

Although Leanne says that she sometimes works seven days per week, and does get tired, she loves her job. She works at every opportunity to provide for herself and her son.

Her biggest regret is giving up time with her son so that she can go out to work, but this is the only way that she can make sure that she can provide for him.

She would like to do more training in specialist skills to help her provide a better-quality service in her work. However, the fees are prohibitive, and she cannot afford to take time off work to do training.

Leanne says that the only time that she has taken a holiday in the past eight years was when she hired a caravan for a long weekend and took her son to the central coast.

She worries what would happen if she gets sick and cannot work, as she is highly likely to be exposed to COVID and does not get paid COVID leave.

Leanne plans to work for as long as she is physically able to do so and does not think about retirement as she would not be able to afford to pay her mortgage or other bills if she was not working.

A pay rise of 5% would allow Leanne to save for school fees for her son, pay her council rates and other household expenses more easily. She also thinks that it might allow her to put some money aside in case of emergencies.

'Getting a pay rise would also mean that there is some recognition for the work we do. I just don't think that people see how hard it is to do the work we do, or how much you need to know to do this work properly.'

There is little opportunity to progress in your career as a disability support worker. Members can work in the same role for decades without being offered new opportunities. The low rates of pay limit their ability to seek training or new qualifications.

### **C&DS Case Study 5**

**Natalie** is fifty two years old. She has worked as a disability support worker for fourteen (14) years and for around five (5) years in her current position in a transition-to-work program with a medium sized disability provider in Far Western NSW.

Natalie's two children aged 20 and 17 years have disabilities and her husband is in receipt of workers compensation after a serious workplace injury.

The program mentors people with disabilities into work, teaching workplace rights and culture, workplace health and safety, managing money, travelling on public transport, etcetera.

Natalie has completed her Certificate IV in Disability in addition to her extensive lived experience.

She is employed on a permanent part time basis, working seven (7) hours per day five days per week. She is paid \$31 per hour and would like to do additional hours but there is no opportunity for overtime with her employer and given her remote location, there are limited opportunities for work with other providers.

Natalie states that the major cause of problems between the workers who are employed at her place of work is the competition for additional hours of work as everyone has trouble living on the wage that they are paid.

Natalie and her husband have a mortgage on a modest home. She often has to ask for extensions on her bills, including her council rates.

She says that she is a very disciplined budgeter and puts money aside for bills.

She has a car, but often walks to save on fuel. She is relying on her tax refund to make her overdue car payment.

Natalie has started working at local markets on weekends, selling candles and clothing to try to help the family budget.

She spends as little as possible on very basic foods. 'When the food is gone, it's gone.' 'Sometimes someone eats too much, and the others get cranky, because then its gone. But there is nothing I can do about it.'

Natalie says that it has been very difficult to pay for the medicines and doctors' appointments that her husband and children need.

'We never wanted our daughter to be on a disability pension. But we couldn't afford the specialist appointment at \$600 for the first visit. We couldn't afford to travel to see a specialist and so we couldn't get the treatment she needed. 'Even going to the local GP means \$100 per person, per visit. All we have is telehealth and there are no bulk billing GP's in the area – even though both of my children have a card.'

'If I get sick, I try to look after myself and not go to the doctor because we just can't afford it.'

'Because we couldn't afford the treatment for my daughter, she ended up in a mental health facility for six weeks and hasn't been able to work since. We've had to sell her motor bike to try and pay off some of the bills.'

'We try to not miss out on the medications that we need, but sometimes I have to borrow money to pay for those.'

'I never thought that I would get to this age and still have no money and have to live like this, worrying about every cent and every bill that comes in.'

'We don't buy clothes or go out or do anything. But it's still very hard to pay all the bills – especially with the rising cost of petrol and other things that have gone up recently'.

'I know the Union is trying to get us a pay rise. It might sound like a very small pay rise to some people, but it would make an enormous difference to me and to my family.'

Our members in disability perform an essential service. They are frontline workers during the COVID-19 Pandemic. They deserve a pay increase that reflects the value of their work to our society.

## Conclusion

We hope that these case studies assist the expert panel to understand the real world impacts of their decisions. Ultimately, behind the statistics and economic analysis are real working men and women. The present circumstances call for a fair and reasonable pay increase that accounts for their value to our society and the rising cost of living. Any calls by business to delay a pay increase or not award a pay increase at all should be rejected.