



SOCIAL, COMMUNITY, HOME CARE AND DISABILITY SERVICES INDUSTRY AWARD 2010

CEA ALERT

Number: 4

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Equal Remuneration Case – Order
Social, Community, Home Care and Disability Services Industry Award 2010.

Summary

A full bench of Fair Work Australia (FWA) handed down the Social, Community and Disability Services Industry Equal Remuneration Order 2012 on 22 June 2012.

Key Elements of the Order

The FWA Full Bench in its order has advised that:

- The order commences on 1 July 2012,
- The monetary obligations imposed on employers by the order may be absorbed into over award payments,
- The order covers employers throughout Australia in the Social, Community and Disability Services Industry and their employees in the classifications listed in Schedules B and C of the Award.

Note:

Schedules B and C covers Social and Community employees (which includes clerical / administration, social and community services and disability services) and Crisis Accommodation employees.

It does not cover Family Day Care Employees or Home Care Employees.

Transitional Minimum Wage

Clause 5.3 of the Order outlines that:

“5.3 The employer must pay an employee no less than either:

- a) The minimum wage for the relevant classification in the Award, or
- b) The minimum wage in the relevant transitional minimum wage instrument and/or award based transitional instrument for the classification concerned whichever is higher.”

Note:

Clause 5.3 means that Employers must pay either the SCDS rate effective from 1/7/2012 or the transitional minimum wage, eg. SACS NAPSA, Disability Services NAPSA, Clerks SA NAPSA, CASH Award rates, whichever is higher.

Example 1

SACS NAPSA rates 1/7/2011.

SACS Level 3 Year 1 \$786.00 per week

Compared to

SCDS rate 1/7/2012

SCDS Level 3 Pay Point 1 \$770.50 per week.

Comment

Old SACS NAPSA translates to new SCDS Employee Level 3

In this example the SACS NAPSA 1/7/2011 rate of \$786.00 is higher than the SCDS 1/7/2012 of \$770.50 per week and accordingly the Employer would continue to apply the HIGHER rate of \$786.00 per week.

Example 2

CASH Award rates 1/7/2011

CASH Level 4 \$867.70 per week

Compared to:

SCDS rate 1/7/2012

Crisis Accommodation employee level 2 Pay Point 1 \$848.20 per week

Comment:

Old CASH Award Level 4 translates to new SCDS Award Crisis Accommodation employee Level 2.

In this example the CASH Award 1/7/2011 rate of \$867.70 per week is higher than the SCDS Award 1/7/2012 rate of \$848.20 per week and accordingly the Employer would continue to apply the HIGHER rate of \$867.70 per week.

Transitional Equal Remuneration Payment

In addition to the Transitional Minimum Wage, the employer must pay an employee a Transitional Equal Remuneration Payment as follows:

“ a) From the first full pay period on or after 1 December 2012 until the final pay period immediately before 1 December 2013, a payment equal to the difference between the Final Rate in clause 6.2 of this Order and the Transitional Minimum Wage in clause 5.3 of this Order, as increased from time to time, for the relevant classification in the Award, divided by nine.”

Effect of above:

The effect of the above is that a Transitional Equal Remuneration Payment will apply from the first full pay period on or after 1 December 2012 of the following:

The First Equal Remuneration Percentage Increase is outlined below:

First Equal Remuneration Percentage Increase 1/12/2012

Social and community services employee level 2 2.56%

Social and community services employee level 3 2.89%

Crisis accommodation employee level1
Social and community services employee level 4 3.56%

Crisis accommodation employee level 2
Social and community services employee level 5 4.11%

Crisis Accommodation employee level 3
Social and community services employee level 6 4.44%

Crisis accommodation employee level 4
Social and community services employee level 7 4.67%
Social and community services employee level 8 5.0%

Note:

Further percentage increases as per the above will apply each year from 1 December until 1 December 2020.

New Wage Schedules

New Wage Schedules will be prepared shortly and placed on the CEA HR and Consulting members web site. Further advice will be provided when the rates are available.

Final Rate Percentage

The Final Rate of the Order is equal to the following percentage of the applicable minimum wage in clause 15 of the Award:

Classification in Schedule B and C of the Award

Social and community services employee level 2 123%
Social and community services employee level 3 126%

Crisis accommodation employee level1
Social and community services employee level 4 132%

Crisis accommodation employee level 2
Social and community services employee level 5 137%

Crisis Accommodation employee level 3
Social and community services employee level 6 140%

Crisis accommodation employee level 4
Social and community services employee level 7 142%
Social and community services employee level 8 145%

Access to the Order

All employers must ensure that copies of the Order are available to all employees to whom it applies either on a noticeboard which is conveniently located at or near the workplace or through electronic means, whichever makes them more accessible.

(Note: A copy of the Order is located on the CEA HR and Consulting website)

Enquiries

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