



## **SOCIAL AND COMMUNITY SERVICES AWARD**

### **COMMUNIQUE 4**

**October 2002**

**SYDNEY**

## **DECISIONS REGARDING THE NSW GOVERNMENT SACS ASSISTANCE PACKAGE: THE NSW GOVERNMENT AGREES TO PAYMENT OF THE COMMONWEALTH SHARE**

### **Introduction**

This is the fourth in a series of communiques explaining the New South Wales Government commitment to assist services in meeting the additional costs arising from changes to the Social and Community Services Employees (SACS) Award on 16 November 2001.

On 21 November 2001, the New South Wales Government committed to meet its share of the additional costs with the expectation that the Commonwealth Government do the same.

The Third Communique of June 2002 set out the New South Wales assistance package and principles agreed between the New South Government, the NGO peak bodies and the Australian Services Union.

The Commonwealth Government did not commit to meeting its share of the additional costs arising from the Award decision. To ensure the ongoing viability of vital services, the NSW Government, on 28 August 2002, announced a further financial assistance package. For services that are partly Commonwealth funded, this further assistance package means that NSW will now meet the Commonwealth's share on the same basis as the State's share of the increases. This assistance will be backdated from 28 November 2001.

### **The New South Wales assistance package**

The NSW Government, the relevant NGO peak bodies and the Australian Services Union have agreed on a package of assistance to ensure the ongoing viability of essential community services. The package has three main components:

#### **1) SACS salary increases from November 2001**

- A 13 percent increase to the State funded salary and related costs component of a grant for 24 hour – 7 days a week services that were operating on a 40-hour week prior to 28 November 2001. For services whose staff are all employed under the SACS Award and paid for by the grant this component is assumed to be 90 percent of the grant. A 24 hour – 7 days a week service is defined as a service that employs

rostered shift workers who undertake their rostered shifts at their designated place of employment and where there is a sleep-over shift each day.

- An 8 percent increase to the State funded salary and related costs component of a grant for 24 hour – 7 days a week services that were operating on a 38-hour week prior to 28 November 2001. For services whose staff are all employed under the SACS Award and paid for by the grant this component is assumed to be 90 percent of the grant.
- An additional 2 percent for a service operating on a 24 hour – 7 days a week basis and providing crisis support services with on call and/or call out arrangements. To be eligible for this 2 percent for 24-hour, 7-day crisis support services, the service must still meet the definition of a 24-hour, 7-day per week service.
- 24-hour, 7-day services that do not have rostered shift workers but have on-call and/or call-out arrangements were provided with a 6.5 percent increase to the salary and related costs component on 90 percent of their grant as opposed to 80 percent of their grant, in recognition of these on-call costs.
- A 6.5 percent increase to the State funded salary and related costs component of a grant for all other services. For services whose staff are all employed under the SACS Award and paid for by the grant this component is assumed to be 80 percent of the grant.

For small organisations employing part-time staff (less than 1 Full time Equivalent) with a grant of less than \$45,000, a loading of 2 percent will be paid on 90 percent of the grant.

## 2) SACS salary increase of 3 percent from November 2002

- Services will receive a pro-rata increase of 1.75 percent for the 3 percent increase effective from 28 November 2002. This will be paid on the salary and related cost component of the grant, assumed to be either 80 or 90 percent, depending on the type of service. This will be paid for seven months till 30 June 2003, and recurrently on this basis. The remaining five months to bring it to a full year's funding will be paid from the normal indexation during 2003-04.

## 3) Grade movements

The NSW Government will provide a contribution towards the cost of meeting grade reclassifications and movements under the Award. Services will receive a contribution based on the following formula:

- All organizations will receive a 4 percent increase on the SACS salary and related cost component for the first \$45,000 of each grant;
- A further 1.5 percent increase will be provided on the salary related cost component for the amount of each grant funding between \$45,000 and \$200,000; and
- A further 1 percent increase will be provided on the salary and related costs component for an amount of each grant funding above \$200,000.

## **Eligibility**

The SACS assistance package is directed to non-government organizations that deliver services for the NSW Government, and who receive Commonwealth and State funding administered by NSW Government agencies.

The package is available only to meet the increases in the SACS Award. If an employee of

an NGO is paid under a different award the formulae in the "Summary of assistance package" may change. For example, if half of the staff funded by a grant are employed under a different award then the 90 or 80 percent assumptions for the salary component will be halved.

In addition, Enterprise Agreements (registered, certified or otherwise) that contain an explicit provision that rates of pay will move in concert with the SACS Award will be eligible for the Government's assistance package.

Agreements (registered, certified or otherwise) which do not contain an explicit provision that rates of pay will move in concert with the SACS Award will not be eligible for the Government's assistance package.

### **Indexation**

Services receiving annual indexation are generally expected to cover cost and wage movements through this indexation. However, it is acknowledged that services will encounter additional cost pressures in the 2002-03 financial year, including increased superannuation contributions, public liability and workers compensation insurances.

In recognition of these additional cost pressures, services in 2002-03 will be paid their normal indexation (typically around 2 percent) in addition to the pro-rata increase associated with the SACS Award increase occurring on 28 November 2002.

### **Anomalies**

It is recognised that a small number of Services may require a level of assistance that falls significantly outside the general assistance package. These Services, generally one-off or special cases, may experience this anomaly due to the particular nature of the services they provide.

NGOs in these circumstances should speak to the contact officer of their relevant funding agency. A list of contact officers for each Department appears below.

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