

WorkChoices means No Choice for SACS

Spring 2006: View from the Peak

On 7 November, MHCC attended the Social and Community Services Industry Industrial Relations Summit, addressed by representatives of NCOSS, ASU and the NSW Minister for Community Services, Reba Meagher. The Summit heard the key findings of the Industry Taskforce that has just completed its inquiry into the impact of WorkChoices on the NSW social and community services sector. The Taskforce examined the impact of WorkChoices on the delivery and quality of services; employment conditions; and workforce recruitment, skill, and retention; as well as the effect of WorkChoices' interaction with other government funding policies.

The main points highlighted by the presenters included:

- Agency confusion about whether WorkChoices applies to them, especially the question of whether they are defined as a constitutional corporation;
- The potential to split the sector which is now characterised by unity. Division will weaken our ability to bargain jointly for funding increases;
- The removal of the level playing field within the sector;
- The potential for agencies to lower staff costs to become more successful in tendering for contracts, and the flow-on effect throughout the sector;
- Potential reduction in salaries and conditions over time, undermining the sector's ability to attract and retain quality, skilled staff;
- Low job security with the removal of unfair dismissal and increased casualisation;
- Increased community demand for services, especially for emergency relief; and
- The combination of all the above leading to reduced quality in service provision.
- In rural and regional areas, these problems are escalated by higher service provision costs and a smaller pool of skilled employees.

There was concern that unscrupulous employers will exploit staff, compounded by the combination of this legislation and Welfare-to-Work. Under Welfare-to-Work, the most vulnerable people have little choice but to accept employment contracts, which, under WorkChoices, only have to meet bare minimum working conditions.

The Taskforce's six recommendations to the NSW government are (in summary):

- Ensure that organisations and employees continue to be subject to the NSW industrial relations system;
- Monitor the impact of WorkChoices in the sector;
- Monitor the sector's ability to attract workers and enable growth and economic stability;
- Review funding criteria to ensure no competitive disadvantage between agencies;
- Maintain levels of funding in real terms to ensure service delivery is protected and expanded;
- Support the sector's appeal to the Federal Government not to tie funding to the adoption of WorkChoices or individual bargaining.

The Taskforce's report has been submitted to the NSW government, and will be available shortly.

A solution? Sign a Referral Agreement

The Minister drew participants' attention to the March 2006 amendment to the NSW Industrial Relations Act, Section 146A, allowing employers and employees to sign a "Referral Agreement". This enables them to have their industrial matters dealt with in the NSW State Industrial system, even if they are a constitutional corporation and would otherwise fall under the Federal WorkChoices system.

This was strongly endorsed by the ASU, and they have produced an information package and generic

Referral Agreement for use by agencies. Over 60 organisations have already signed an Agreement, mainly local councils. The ASU's generic Agreement also ties employee conditions to those currently existing in the agency (generally the SACS Award or an Enterprise Agreement). This effectively maintains the potential for sector unity when negotiating conditions in the future, and keeps alive the plans to re-open the case to introduce SACS Award levels 7 and 8. Referral Agreements must be signed on behalf of both the board and staff, and remain in force regardless of board or staff turnover for the agreed term, generally three years. They are lodged with the NSW Industrial Relations Commission. There is no cost involved.

For more information, or to request a visit to your organisation to meet management and staff, contact the ASU on ph 9310 4000 or 1300 784 278 (outside Sydney).