

BUILDING THE REWARDS AND CAPACITY FOR THE WHOLE DISABILITY WORKFORCE

HACSU members are fighting for improvements across the whole sector, not just DHHS.

Pay rises are still flowing through for members in the non-government sector as a result of our historic win in the Equal Pay Case.

The 8 annual increases to non-government sector disability workers, which keep flowing right through to 2020, will see total increases of between 23% and 45%, with Equal Pay Case increases being on top of any Minimum Wage Case decisions.

The Equal Pay Case is closing the unfair pay gap between DHHS workers and non-government disability workers who for many years have been paid differently for the same work.

HACSU representatives are also currently bargaining with a peak employer body for the non-government sector (Jobs Australia), seeking further improvements in wages and conditions.

As well, we are lobbying hard to win Portable Long Services leave for disability workers who may change employers but want stay and work within the sector.

Campaigning for quality disability services

Victorian disability services – both non-government and DHHS – exist for one primary reason; to provide the best service we can to people who are disadvantaged and or vulnerable.

Since scandals within the sector exposed a range of shortcomings in services, HACSU members have been advocating for a new scheme to establish minimum skills standards and greater investment in training.

We have made real headway with this agenda and are now consulting with Government and other stakeholders to put in place a legislated Victoria-wide Disability Worker Registration and Accreditation Scheme. This scheme will

ensure all disability workers are properly trained, better background checks, with disability workers having their experience and skills recognised and accredited.

We are hoping a Disability Worker Registration and Accreditation Scheme, once it is established in Victoria, will ultimately be transferred into new national standards that will see Australia lead the world in the provision of quality disability services.



FOR FURTHER INFORMATION

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SETTLEMENT AGREEMENT BREAKTHROUGH

- 8 years of protections: wages, conditions and job security
- 1:1 house supervisor model protected
- Classification structures (including complex needs) protected
- 29% wage increase over 8 years (6.5% in the first 6 months, 17% in the first 4 years)
- Up to \$15,000 in transfer incentive payments
- Up to \$2,000 in sign-on payments
- Redundancy packages for a limited number of transferring workers

Members win significant protections for the future



Protect
**Disability
Care**

FROM THE LEADERSHIP TEAM

HACSU members collectively taking action win gains

On 18 December 2017, after two years of uncertainty, the Victorian Government formally announced they would proceed with plans to tender DHHS disability services to the non-government sector. While extraordinarily disappointing, it was not unexpected. Every other state and territory is or has headed down the same path.

Despite this, HACSU members, through our Protect Disability Care campaign, have won the best workforce and quality care protections in Australia.

This decision means not-for-profit, non-government service providers can bid to run DHHS group home (Supported Independent Living/SIL) and respite (Short-Term Accommodation and Assistance/STAA) services, and if successful, they will be required to support and implement the protections over the next eight years as all direct care staff, house supervisors and operations managers transfer with the services.

The DHHS will continue to run the five group homes built for the residents of

the former Sandhurst Centre, as well as the Disability Forensic Assessment and Treatment Service (DFATS), Disability Justice Case Management and specialist forensic accommodation services. The DHHS will also continue to operate client services, outreach and BIST.

Whilst HACSU remains opposed to contracting out, HACSU members have won significant protections, locking in 8 years of job security, conditions and quality care protections (until 31 December 2025), 29% in wage increases over 8 years (with 6.5% in the first 6 months and 17% in the first 4 years), up to \$15,000 in transfer incentive payments, \$2,000 in sign-on payments, and the option for a limited number of staff to take a redundancy rather than transfer. There will also be redeployment opportunities made available.

The first 3% wage increase was paid to DDSOs on the 18th January 2018 (backdated to 24 December 2017). The first \$1,000 sign-on payment was paid on the pay cycle of the 15th February 2018.

A further 3.5% is due on 1 July, 2018.

Combined, the 6.5%, for example, gives a DDSO 1Q.5 a \$65.94 weekly increase (\$3,429 annually) and a DDSO 3A.5 a \$96.87 weekly (\$5,037 annually). With overtime and other allowances, the increase is actually higher.

Over 300 HACSU members overwhelmingly endorsed the Settlement Agreement at a statewide meeting on 19 December 2017.

While the Settlement Agreement locks in significant protections, members still need to campaign to ensure everything is locked down tightly in the new EBA, which is being negotiated throughout February 2018.

When the EBA is finalised it will include all the protections in the Settlement Agreement and members will get to formally vote on the EBA before it becomes active on 1 July 2018.

We know members have many questions regarding the implementation and coverage of the Settlement Agreement and the progress of our overall EBA claim.

To consult with members and answer these questions the HACSU Leadership Team is currently visiting members across Victoria in both regional and metropolitan areas.

Times, dates and venues for these meetings, along with further updates will be provided to members via print, email and social media. If you are not receiving HACSU emails, we may not have your current email address. Go to www.hacsu.asn.au to update your details.

Members must continue to maintain the bans to keep up the pressure on the Government to finalise the EBA as quickly as possible and to get the best overall outcome.

Congratulations to all members on the long and determined campaign.

In union,
Lloyd Williams
HACSU State Secretary
Deb Gunn
HACSU President
Paul Healey
HACSU Assistant State Secretary

THE SETTLEMENT AGREEMENT PROCESS

The HACSU Team has negotiated hard to make sure members have time, options and security in any transfer process.

Despite our deep disappointment with the Andrews Government's decision to pursue the tendering process, members have campaigned hard to win time, options and job security in any transfer of services.

2018		2019	2020	2021	2022	2023	2024	2025
No Change		(1 Jan 2019 - earliest date) Secondment to NGO		(1 Jan 2021 - earliest date) Non-Government Employment				
EBA	EBA 1					EBA 2		

The Settlement Agreement means there will be no changes to DHHS group homes and respite services until 1 January 2019 at the earliest.

Throughout 2018, the Government will invite a number of non-government service providers to tender for services. HACSU has been told that only not-for-profit providers are being invited to tender. If one or more service providers meet the tendering requirements, employees will be seconded to the new provider(s) from 1 January 2019. Since this is a secondment, members will remain DHHS employees.

From 1 January 2021, seconded DHHS employees will be offered direct employment with the non-government service provider, with their wages and conditions protected until at least 31 December 2025.

All accrued leave (annual, personal, long service leave, etc.) will be transferred and all prior service as a DHHS employee will be recognised. Members of defined benefits superannuation schemes will also have membership of these schemes maintained.

Importantly, up to 15% of employees who do not wish to transfer to a non-government service provider will be offered a redundancy (Voluntary



Departure Package/VDP). Redeployment opportunities will also be available across the Victorian Public Service.

The Victorian Government has agreed to fund non-government organisations to ensure the agreed schedule of pay rises through to 31 December 2025 is fully funded for all transferred DHHS employees.

As well, to avoid a two-tiered workforce for as long as possible, during the life of the next EBA (1 July 2018 – 30 June 2022) transferred DHHS employees who cease employment with the new provider will be replaced by new employees on the same terms and conditions.



UP TO \$17,000 IN LUMP SUM PAYMENTS

Transfer incentive payments (up to \$15,000) and the sign-on payments (up to \$2,000) are in addition to the 29% wage increase over 8 years.

The transfer incentive payments are designed to recognise the skills and experience of the DHHS workforce, to retain staff during the transfer, which will ensure continuity of support and care to residents and peace of mind to families.

All employees covered by the EBA will receive a sign-on payment of up to \$2,000 (paid in two lots of \$1,000). A full-time employee will get the full-amount, and part-time and casual employees will receive a pro-rata amount based on their actual hours worked in the previous 12 months from the date the payment falls due. For the first \$1,000 this means the 12 months prior to the 18th December 2017 and for the second \$1,000 it will be the 12 months prior to the date a majority of employees vote to accept the new EBA. (We expect this to be sometime between March and June 2018).

In addition to the sign-on payment, eligible employees who transfer to non-government service providers will receive up to \$15,000 in transfer incentive payments. Like the sign-on payment, the transfer incentive payment will be paid in two equal instalments, the first at the date of secondment (from 1 January 2019) and the second at the date of transfer (from 1 January 2021).

In order to be eligible, an employee must have been employed on or before the 19th December 2017 and remain employed at the date they are seconded (for the first payment) and transferred (for the second payment).

Full-time employees will receive the maximum payment as follows:

- \$7,500 payment at start of the secondment period (from 1 January 2019)
- \$7,500 payment at the point of transfer to the non-government provider (from 1 January 2021)

Part-time employees will receive a pro-rata amount of the maximum payment as follows:

- Pro-rata of \$7,500 based on actual hours worked over the previous 12 months from the date the payment falls due (for the first payment this is from 1 January 2019)
- Pro-rata of \$7,500 based on actual hours worked over the previous 12 months from the date the payment falls due (for the second payment this is from 1 January 2021)

Casual employees who have 3 or more years' service at the date the payment falls due will receive a pro-rata amount of the maximum payment as follows:

- Pro-rata of \$7,500 based on actual hours worked over the previous 12 months from the date the payment falls due (for the first payment this is from 1 January 2019),
- Pro-rata of \$7,500 based on actual hours worked over the previous 12 months from the date the payment falls due (for the second payment this is from 1 January 2021).

Casual employees who have less than 3 years' service and who have also worked at least 1 shift in 13 weeks in the previous 52 weeks at the date the payment falls due will receive a pro-rata amount of 50% of the maximum payment as follows:

- Pro-rata of \$3,750 based on actual hours worked over the previous 12 months from the date the payment falls due (for the first payment this is from 1 January 2019),
- Pro-rata of \$3,750 based on actual hours worked over the previous 12 months from the date the payment falls due (for the second payment this is from 1 January 2021).

UP TO

\$17,000



29% in WAGE GAINS OVER 8 YEARS

The annual salary for a full-time DDSO 1Q.L5 climbs from \$52,755 to \$70,179 by 2025, a \$17,424 increase.



The Settlement Agreement endorsed by HACSU members locks in a very substantial 29% wages increase over an 8-year period (17% in EBA1 and 12% in EBA2). Of these, the first 6.5% will flow to members in the first six-months of 2018.

A 29% wage increase will see the annual salary for a full-time DDSO 1Q.L5 climb from \$52,755 to \$70,179 by 2025. Over 8 years this works out to be an annual salary increase of \$17,424.

29%

The pay increases negotiated by HACSU under the settlement will be applied as follows.

- 3% increase upon member endorsement of offer (ALREADY PAID - 18 Jan 2018)
- 3.5% increase on 1 July 2018, 2019, 2020, 2021 (14% in total)
- 3% increase on 1 July 2022, 2023, 2024, 2025 (12% in total)
- TOTAL 29% IN WAGE INCREASES OVER 8 YEARS (with 6.5% in the first 6 months)

This will see DHHS disability members' wages grow, on average 3.6% per year over the eight years (average of 4.25% per year in the first 4 years). This is especially significant in light of record low wage growth across Australia. Only a few weeks ago the ABC reported that wage increases in EBAs are at record low of 2.2% per year. Members should be proud of the record wage outcome they've been able to achieve!

OUR EBA CONDITIONS WILL BE PROTECTED FOR 8 YEARS

We have to keep on fighting to make sure we get improvements. Maintaining bans is critical.

The Settlement Agreement with the Victorian Government states: "The Government is committed to protecting wages, terms and conditions for a period eight years through the application of two enterprise agreements."

In addition to the wages and lump-sum payments this includes:

- maintenance of hours,
- protection of classification structures,
- protection of 1:1 house supervisor model,
- preservation of all accrued leave and entitlements,
- all prior service recognised for all purposes,
- preservation of superannuation, including members currently in defined benefits schemes,
- maintenance of existing workplace change consultation provisions.

However, we are still negotiating the next EBA, including a number of our claims. We've already had some wins, such as the inclusion of 20 days paid family violence leave, but there's more to do. It's critical that members maintain the work bans until the EBA negotiations have finished.



REDUNDANCY PACKAGES (VDPs) FOR UP TO 15% OF THE WORKFORCE

The over-riding consideration is keeping qualified and experienced workers in the workforce, providing a quality service.

An important part of the Settlement Agreement negotiated by HACSU is to provide as much choice to DHHS workers as possible in the transfer process.

That's why it includes significant salary and lump sum payments to encourage people to stay on, alongside opportunities to transfer elsewhere within the Victorian Public Service, or redundancy packages (VDPs) for a limited number of workers.

The overriding consideration, however, is to do everything possible to keep workers in a rapidly expanding disability services system.

While the Settlement Agreement initially indicated all VDPs would be available prior to the secondment period (1 January 2019), the Victorian Government has to follow Australian Taxation Office (ATO) rules so that packages are favourably taxed. HACSU has been advised that if VDPs are offered before the secondment period there is a risk they will be taxed as regular income, with members losing half the amount in income tax.

Because of this risk, HACSU has negotiated that a number of VDPs equivalent to 5% of the workforce (approximately 175 – 200) will be available before the secondment period starts on 1 January 2019. The remaining 10% (350 – 400) will be made available prior to the point of transfer on 1 January 2021. However, if the ATO does not grant tax favourability on the initial 5% no VDPs will be available until prior to the point of transfer on 1 January 2021.

While we understand this may disappoint some members, neither HACSU nor the Victorian Government have any control over decisions made by the ATO. Further information around the timing and tax



treatment of VDPs will be made available in the coming months.

The value of a VDP is determined by the Victorian Government's Public Sector Industrial Relations Policy, which provides for:

- 4 weeks' pay, irrespective of the employee's length of service; plus
- A lump sum voluntary departure incentive of up to \$10,000 (for a full-time employee); plus
- 2 weeks' pay per each completed year of continuous service up to a maximum of 15 years.

HACSU MEMBERS HAVE WON THE BEST DISABILITY WORKFORCE PROTECTIONS IN AUSTRALIA

Whilst we have campaigned hard for two years against privatisation, almost every State and Territory Government around the country has either privatised or is currently privatising their public disability services in the wake of the NDIS. Unfortunately, the Victorian Government is set to follow suit.

HACSU members in Victoria have been the most successful in Australia in negotiating fair terms and conditions in any transfer process.

We have done this because we are well unionised and well organised.

Members must continue to be organised and maintain all bans to ensure we keep up the pressure on the Government so we can get the best EBA possible.

For further information, please contact HACSU 1300 651 931 or email hacsu@hacsu.asn.au

Also please check our website and Facebook for further information www.hacsu.asn.au and www.facebook.com/hacsu