



19 March, 2021

Hon. Greg Hunt MP
Minister for Health and Aged Care
PO Box 6022
Parliament House
Canberra ACT 2600

Dear Minister Hunt

Request for certainty on funding for equal pay

We write to you on behalf of the Australian Council of Social Service (ACOSS), the Australian Alcohol and other Drugs Council (AADC) and Community Mental Health Australia (CMHA) to request a meeting to discuss the impending cuts to funding for equal pay in the alcohol and other drugs and mental health sectors (through the end of Equal Remuneration Order Supplementation). We are extremely concerned about the impact that these cuts will have on the highly feminised workforce working in Australia's community services sector, and the people, families and communities that rely on them.

Our organisations have been in discussions with the Department of Health and your office for some time regarding the need for our sectors' continued access to the Social and Community Services (SACS) Wage Supplementation funding beyond 30 June 2021. Before that, we engaged with Hon. Senator Anne Ruston noting her role coordinating the whole of government response to the expiration of the Pay Equity Special Account. We had been encouraged by advice from Minister Ruston's office that the Federal Government's budget commitment to fund equal pay in the Department of Social Services and Attorney General's Department signalled a whole of government commitment to fund equal pay, and advice from the Department of Health that they have been working on options to replace Equal Remuneration Order (ERO) supplementation for alcohol and other drug and mental health services. We are now concerned that the continued delay in finalising and announcing this mechanism is forcing organisations to plan for budget and staffing cuts.

When coupled with the Equal Remuneration Order itself, this funding has been critical to addressing the chronic, gender-based undervaluation of the work performed by the predominantly female workers in the community services sector. Communities and organisations rely on this funding to pay the wages of workers on the front line of service delivery. Without it, cuts to jobs in our sector are inevitable.

We, and our state and territory members, are fielding constant enquiries from increasingly anxious frontline services which find themselves forced to plan for budget and staffing cuts in 2021-22, in anticipation of the expected funding shortfall. This has obvious implications for staff retention and its associated effects on service delivery in support of some of our most vulnerable communities.

We know that you are conscious of the enormous strain and pressure currently being placed on all health services around Australia. Mental health and alcohol and other drug services are also bearing

a heavy burden associated with increased community needs, as well as increased costs of service, resulting from COVID-19. Our sectors need certainty and assurance so they can continue to focus on delivering high-quality and adaptive services throughout this challenging time.

We call on you to deliver this certainty through expediting a resolution to the ERO supplementation issue for our sectors as quickly as possible and well in advance of the May budget release.

We would appreciate an opportunity to meet with you in person to discuss in more detail the real-time effects the current delay is having on services and consumers within our sectors. Our offices will be in touch to arrange the meeting.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'C Goldie', written in a cursive style.

Dr Cassandra Goldie
Chief Executive Officer, Australian Council of Social Service

A handwritten signature in black ink, appearing to read 'Jennifer Duncan', written in a cursive style.

Jennifer Duncan
Chief Executive Officer, Australian Alcohol and other Drugs Council

A handwritten signature in black ink, appearing to read 'W. R. Gye', written in a cursive style.

Bill Gye, OAM
Chief Executive Officer, Community Mental Health Australia