



HACSU Submission

Portable Long Service Scheme – Consultation on Draft Regulations

31 May 2019

About HACSU

The Health and Community Services Union (HACSU) is a specialist union for workers in the Victorian disability, mental health and alcohol and other drugs sectors. HACSU welcomes the opportunity to provide feedback on the proposed draft regulations. In this brief submission we focus specifically on the regulations as they relate to the scope and definition of the community services sector.

Community Services Sector

Do the exposure draft Regulations provide clarity as to the scope of the community services sector, what is community service work, and who is an employer, and an employee for the sector?

HACSU broadly supports the regulations as providing clarity to the scope of community services sector. However, we do have minor concerns about the operation of clause 7(6)(b) of the regulations in that it could potentially discriminate against disability workers who provide support to young people (under 65) who because of the nature of their disability have to reside in residential aged care facilities (who would otherwise be covered). These disability workers should not be inadvertently excluded because the client cohort they support has no other accommodation options apart from residential aged care facilities.

Is the list of awards and agreements at clause 9 of the exposure draft Regulations comprehensive? Should any of those awards or agreements be excluded? Should any other awards or agreements be included?

HACSU recommends the removal of Clause 9(1)(d) of the regulations, which prescribes that an employee is not an employee if they are covered by the Health Professionals and Support Services Award 2010 (HPSS). The inclusion of the HPSS Award as a prescribed award or agreement for the purposes of Clause 4(2)(d)(ii) of the Act would inadvertently exclude employees who clearly provide the services outlined Clause 2 of the Act, such as Support Coordinators and Case Managers who are responsible for coordinating the delivery of supports and services to people with a disability and work directly with clients on a regular basis.

Whilst it is proposed that the Regulations operate on and from 1 July 2019, the Regulations bringing children's services, and disability services within the scope of the scheme only operate on and from 1 January 2020. This will enable businesses in those sectors adequate time to prepare for the legislation. Are these appropriate commencement dates?

HACSU supports the deferred commencement date for disability services to 1 January 2020 and believe it provides adequate time for providers to prepare themselves for the scheme.

NDIS Price Increases – Financial Impact

Since the Regulatory Impact Statement (RIS) was prepared, the Commonwealth Government, through the NDIA, announced it would spend more than \$850m increasing a

range of NDIS prices from 1 July 2019.¹ These price increases will apply to therapy supports and attendant care supports (both in-home and in the community). The increases to attendant care supports vary depending on when the support is delivered (afternoon, night, Saturday, Sunday, public holiday) and the complexity of the client being supported (Level 1, 2 or 3). Overall, however, these price increases are considerable:

- Base prices have increased permanently per hour by between 6.7% and 14.2%.
- Prices will be increased by a further 7.5% through a temporary price increase (this replaces the previous 2.5% temporary increase). This increase will progressively decrease by 1.5% each financial year until it disappears.
- The increases do not include the impact of the minimum wage case decision, or the effect of the Equal Remuneration Order (ERO). These increases will be incorporated into prices first, with the base and temporary increases subsequently applied to the indexed price.

HACSU notes the RIS estimates the inclusion of NDIS entities within the scope of the Act would increase overall salary costs by between 0.3% and 0.85% over 3-years. HACSU submits that these cost increases are more than adequately offset through the increases to NDIS prices we have outlined above. Furthermore, the delayed commencement to 1 January 2020 means that affected providers will not be required to pay any levy to the PLSA until the updated NDIS Price Guide has been in effect for a full 6-months.

HACSU welcomes the extension of long service benefit portability for all Victorian workers delivering disability supports and supports the draft regulations giving effect to this change.

For further information regarding this submission, please contact:

██████████
██████████████████
████████████████████
██████████████████

¹ See: <https://www.ndis.gov.au/annual-price-review>