

Media Release

For immediate release

Drug and Alcohol Sector calls for equal pay for equal work

In the lead-up to this Friday's Equal Pay Day, SANDAS is calling on the Federal Government to increase its funding to the alcohol and other drug and other community sector organisations to incorporate the impact of Fair Work Australia's 2012 Equal Remuneration Order (ERO) beyond 2021, so women across the sector can continue to be employed and paid fairly.

The ERO decision determined that wages in the community services were generally lower because of the Gender Pay Gap. Predominately female workforces were found to be paid less than other workforces. To correct this state and federal governments allocated funds under the ERO to cover the costs of increased wages paid in this sector.

From June 30th, 2021 the Commonwealth intends to withdraw ERO funding to the community services sector potentially resulting in organisations having to cut staff or employ at lower grades.

The gender pay gap in South Australia is currently 8.4%, according to the Workplace Gender Equality Agency figures released this month.

Women make-up 69% of the alcohol and other drug sector workforce, and nearly 40% are over the age of 50 (NCETA, AOD Workforce Profile 2019-20).

"Women deliver the bulk of alcohol and other drug services. The ERO sought to level the pay playing field and reduce the gender pay gap. Yet the gap is set to be exacerbated unless the Federal Government commits to permanent ERO funding, as the SA State Government has done. Without this, we will see the significant funding reductions to alcohol and other drug service providers leading to reduced employment, particularly for women," says Michael White, Executive Officer of SANDAS.

"As we approach Equal Pay Day, women in the drug and alcohol sector and the wider community services want assurance from the Federal Government that they deserve equal remuneration for equal work and action to make this a permanent reality."

"Alcohol and other drug services have been experiencing higher levels of demand and increased costs, and the danger in cutting ERO funding means there will be fewer people to support those in need during the COVID-19 crisis, meaning fewer people are able to access services. It would also mean taking a significant backwards step in addressing the Gender Pay Gap and valuing the work of women in the community services sector"

Whilst this will not affect organisations whose grants program commenced after 2012 (as they have had the costs of meeting the ERO factored into their grant, or were expected to tender prices that reflected the increases they would be facing in wages costs relating to the ERO) it will affect the bulk of federally funded alcohol and other drug services in SA.

SANDAS, like many other peak bodies, believes the solution to this problem is simple – the Commonwealth must ensure that the base rate of grants where ERO supplementation currently applies are permanently increased so as to incorporate the current rate of ERO supplementation in all future contracts.

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SANDAS is the Peak Body
supporting NGOs delivering
services in the Alcohol and Other
Drugs field in South Australia