

NATIONAL PARTNERSHIP AGREEMENT ON PAY EQUITY FOR THE SOCIAL AND COMMUNITY SERVICES SECTOR

Council of
Australian
Governments

An agreement between

- the **Commonwealth of Australia** and
- the **States and Territories**, being:
 - ◆ New South Wales
 - ◆ Victoria
 - ◆ Queensland
 - ◆ Western Australia
 - ◆ South Australia
 - ◆ Tasmania
 - ◆ the Australian Capital Territory
 - ◆ the Northern Territory

This Agreement will contribute to assisting the Social and Community Services sector with additional wage costs arising from recent Pay Equity Orders.

National Partnership agreement on Pay Equity for the Social and Community Services Sector

INTERGOVERNMENTAL AGREEMENT ON FEDERAL FINANCIAL RELATIONS

PRELIMINARIES

1. This National Partnership agreement (Agreement) is created subject to the provisions of the *Intergovernmental Agreement on Federal Financial Relations* (IGA FFR) and should be read in conjunction with that Agreement and its Schedules, which provide information in relation to performance reporting and payment arrangements under the IGA FFR.
2. The Commonwealth has committed to funding its share of the wage increases arising from Fair Work Australia's decision on 1 February 2012 to grant an Equal Remuneration Order in the Social and Community Services (SACS) sector. The Commonwealth's commitment includes providing funding for its share of the wage increases for in-scope programs funded through existing National Specific Purpose Payments (SPPs) and National Partnership agreements.
3. In entering this Agreement, the Commonwealth and the States and Territories (the States) recognise that they have a mutual interest in improving outcomes in SACS sector wages and need to work together to achieve those outcomes.
4. Commonwealth funding under this Agreement or elements of this Agreement is anticipated to be ongoing in nature, in such a way that further funding beyond the term of this Agreement may be required as relevant agreements are renegotiated.
5. This Agreement will contribute to assisting the SACS sector with increased wage costs arising from recent Pay Equity Orders.
6. This Agreement will be implemented consistently with the objectives and outcomes of all National Agreements and National Partnerships agreed by the Parties. In particular, the Parties are committed to addressing the issue of social inclusion, including responding to Indigenous disadvantage (for example, the reform commitments provided in the National Indigenous Reform Agreement) and those commitments are embodied in the objectives and outcomes of this Agreement.

PART 1 – FORMALITIES

Parties to this Agreement

7. This Agreement is between the Commonwealth of Australia (the Commonwealth) and the States and Territories (the States).

Term of the Agreement

8. This Agreement will commence as soon as the Commonwealth and one other Party signs the Agreement and will expire on 30 June 2016, or on completion of the service, including the acceptance of final performance reporting and processing of final payments against performance benchmarks or project milestones. The Agreement may be terminated earlier or extended as agreed in writing by the Parties.

PART 2 – OBJECTIVES, OUTCOMES AND OUTPUTS

Objectives

9. The Parties commit to providing the Eligible Service Providers with wage supplementation to assist them in meeting the increased wage costs arising from the Pay Equity Orders.

Outcomes

10. This Agreement will facilitate achievement of the following outcomes:
 - (a) assisting Eligible Service Provider's ability to meet increased wages under the Pay Equity Orders; and
 - (b) reducing the impact of the Pay Equity Orders on Eligible Service Providers.

Outputs

11. The objective and outcomes of this Agreement will be achieved by providing wage supplementation to Eligible Service Providers impacted by the Pay Equity Orders.

PART 3 – ROLES AND RESPONSIBILITIES OF EACH PARTY

12. To realise the objectives and commitments in this Agreement, each Party has specific roles and responsibilities, as outlined below.

Role of the Commonwealth

13. The Commonwealth agrees to be accountable for the following roles and responsibilities:
 - (a) providing a financial contribution to the States to support the implementation of this Agreement;
 - (b) monitoring and assessing performance under this Agreement to ensure that outputs are delivered and outcomes are achieved within the agreed timeframe; and
 - (c) approving Implementation Plans developed by the States.

Role of the States and Territories

14. The States agree to be accountable for the following roles and responsibilities:
 - (a) monitoring and assessing performance under this Agreement;
 - (b) developing Implementation Plans for approval by the Commonwealth;
 - (c) delivering on outcomes and outputs assigned to the States for implementation;
 - (d) ensuring that supplementation is distributed to Eligible Service Providers through a clear and fair process that is consistent with the principles of procedural fairness as set out in Schedule B; and
 - (e) reporting on the delivery of outcomes and outputs as set out in Part 4 – Performance Monitoring and Reporting.

Eligible Service Providers

15. The States will be responsible for ensuring that supplementation is only provided to Eligible Service Providers.

GRANTS-BASED FUNDING ARRANGEMENTS

16. Under grants-based funding arrangements, Eligible Service Provider means an organisation that meets all of the following criteria:
 - (a) receives Commonwealth funding from a State for a National SPP or National Partnership agreement identified in this Agreement;
 - (b) has an existing grant or funding agreement with a State that is funded under a National SPP or National Partnership agreement identified in this Agreement;¹
 - (c) is a non-government organisation;
 - (d) had employees affected by the Pay Equity Order on 1 February 2012;² and
 - (e) currently has employees affected by the Pay Equity Order.

¹ All non-government organisations that are funded to deliver existing Commonwealth funded SACS programs in-scope of the equal remuneration order will be eligible for supplementation, including providers making payments over the award. Where jurisdictions are able to clearly identify when Eligible Service Providers making over-award payments are impacted by the Pay Equity Order, for example by having provider specific data, supplementation can be provided from when that impact occurs. Service providers making over-award payments will only be entitled to Commonwealth supplementation for the difference between the current SACS Modern Award and the Pay Equity Orders rate. Jurisdictions should ensure that no additional supplementation is given to service providers for any amount above the ERO rate that an employer might already be paying or proposing to pay.

² Fair Work Australia handed down an Equal Remuneration Decision on 1 February 2012. The Commonwealth's supplementation commitment applies to those Eligible Service Providers affected by the decision on that date. There is some discretion concerning the date where it can be demonstrated that there are legitimate and compelling reasons why employees were not classified on the Award by that date. These exceptions need to be considered on a case-by-case basis by States.

UNIT-PRICE-BASED FUNDING ARRANGEMENTS

17. Under unit price-based funding arrangements, Eligible Service Provider means a non-government organisation that receives Commonwealth funding from a State for a National SPP or National Partnership agreement identified in this Agreement.

Shared roles and responsibilities

18. The Commonwealth and the States share the following roles and responsibilities:
 - (a) participating in consultations as appropriate regarding the implementation of this Agreement;
 - (b) negotiating new or revised Schedules, including Implementation Plans, to this Agreement; and
 - (c) conducting evaluations and reviews of outputs delivered under this Agreement.
19. The Parties will meet the requirements of Schedule E, Clause 26 of the *Intergovernmental Agreement on Federal Financial Relations*, by ensuring that prior agreement is reached on the nature and content of any events, announcements, promotional material or publicity relating to activities under an Implementation Plan, and that the roles of both Parties will be acknowledged and recognised appropriately.

Implementation Plans

20. The Commonwealth and the States will agree Implementation Plans that will set out the jurisdiction's strategy for calculating and allocating supplementation to Eligible Service Providers. More detail on the requirements for Implementation Plans are set out in Schedule B.

PART 4 – PERFORMANCE MONITORING AND REPORTING

Reporting arrangements

21. The States will provide progress reports in accordance with Table 1 during the operation of the Agreement.
22. Each progress report is to contain the following information:
 - (a) total amount of Commonwealth supplementation provided to the State by program;
 - (b) the name of each Eligible Service Provider that received supplementation; and
 - (c) the Commonwealth program under which each Eligible Service Provider received supplementation.
23. The information contained in the progress reports will be made publicly available on the website of the Department of Families, Housing, Community Services and Indigenous Affairs by the Minister for Community Services to ensure the transparency of the supplementation process.

Table 1: Reporting and payment summary

Milestones	Report Period	Relevant Report due	Payment*
Initial in-advance payment on signing agreement	N/A	N/A	100 per cent of total payment for 2012-13
Acceptance by the Commonwealth of an Implementation Plan and Progress Report 1	December 2012 to June 2013	30 September 2013	100 per cent of total payment for 2013-14
Acceptance by the Commonwealth of Progress Report 2	July 2013 to June 2014	15 July 2014	100 per cent of total payment for 2014-15
Acceptance by the Commonwealth of Progress Report 3	July 2014 to June 2015	15 July 2015	100 per cent of total payment for 2015-16
Acceptance by the Commonwealth of Progress Report 4	July 2015 to June 2016	15 July 2016	N/A

*Payments will be made in the next available National Partnership payment run following approval by the Commonwealth of the relevant milestone.

PART 5 – FINANCIAL ARRANGEMENTS

Financial contributions

24. The Commonwealth will provide a total financial contribution to the States of \$265,479.81 million in respect of this Agreement, less the proportion of funding agreed to be retained by the Commonwealth under clauses 26 to 29 inclusive.
25. The Commonwealth's estimated financial contribution to the operation of this Agreement, including through National Partnership payments to the States paid in accordance with Schedule D — Payment Arrangements of the *Intergovernmental Agreement on Federal Financial Relations*, are shown at Schedule A – Financial Contributions.

Supplementation Relating To DisabilityCare Australia

26. With the exception of Western Australia, a proportion of Commonwealth funding from payments due under this Agreement in relation to DisabilityCare Australia (the National Disability Insurance Scheme Agency) relevant agreements, for the purpose of providing disability services to individuals, will be either retained by the Commonwealth or contributed to DisabilityCare Australia to meet part of the Commonwealth contribution to the cost of an NDIS in launch sites.
27. DisabilityCare Australia relevant agreements are the *National Disability Services SPP*, the *National Partnership Agreement on Transitioning Responsibilities for Aged Care and Disability Services* and the *Home and Community Care Program Review Agreement* (Victoria and Western Australia only).

28. The amount to be retained, or contributed to DisabilityCare Australia, the basis for calculating those amounts and the mechanisms for providing those contributions will be agreed bilaterally with each state in their respective Implementation Plans, and will take into consideration:
 - a) arrangements for funding contributions to DisabilityCare Australia under Schedules A to E of the *Intergovernmental Agreement on NDIS Launch* and their appendices;
 - b) the National Disability Insurance Scheme (Facilitating the Preparation of Participants' Plans) Rules for each host jurisdiction, where applicable; and
 - c) the requirements of the *Social and Community Services Pay Equity Special Account Act 2012*.
29. Arrangements for payments due to Western Australia under this Agreement from the *National Disability Services SPP* and the *Home and Community Care Program Review Agreement* will be agreed bilaterally with Western Australia.

PART 6 – GOVERNANCE ARRANGEMENTS

Enforceability of the Agreement

30. The Parties do not intend any of the provisions of this Agreement to be legally enforceable. However, that does not lessen the Parties' commitment to this Agreement.

Variation of the Agreement

31. The Agreement may be amended at any time by agreement in writing by all the Parties. For example, National Partnership agreements may be added to Schedule A – Financial Contributions where there is sufficient evidence that these agreements are in-scope.
32. A Party to the Agreement may terminate their participation in the Agreement at any time by notifying all the other Parties in writing.
33. Bilateral schedules or elements of multilateral schedules to this Agreement that have no impact on other Parties may be amended at any time by agreement in writing by the Commonwealth and relevant State minister.

Delegations

34. The relevant Commonwealth Minister with portfolio responsibility for Community Services is authorised to agree and amend Schedules, including Implementation Plans, to this Agreement and to certify that performance benchmarks specified under this Agreement have been achieved, so that payments may be made.
35. Respective State and Territory Ministers with portfolio responsibility for Community Services are authorised to agree and amend Schedules, including Implementation Plans, to this Agreement.
36. The Commonwealth Minister may delegate the assessment of project-based performance benchmarks or milestones and the authorisation of related project payments to senior Commonwealth officials, having regard to the financial and policy risks associated with those payments.

Dispute resolution

37. Any Party may give notice to other Parties of a dispute under this Agreement.
38. Officials of relevant Parties will attempt to resolve any dispute in the first instance.
39. If a dispute cannot be resolved by officials, it may be escalated to the relevant Ministers and if necessary, the relevant Ministerial Council.
40. If a dispute cannot be resolved by the relevant Ministers, it may be referred by a Party to COAG for consideration.

Interpretation

41. For the purposes of this Agreement:
 - (a) **Pay Equity Order** has the meaning given in the *Social and Community Services Pay Equity Special Account Act 2012*.
 - (b) **Grants-based funding arrangements** refer to all other funding arrangements not defined as unit-price-based funding arrangements.
 - (c) **Unit-price-based funding arrangements** refer to funding arrangements where an organisation is paid a set price for delivering specific units of service as specified in individual service agreement or contract. All organisations delivering a specific unit receive a common price for delivering a specific unit. The amount of funding an organisation receives each year will depend on the number of units they complete.

The Parties have confirmed their commitment to this agreement as follows:

Signed for and on behalf of the Commonwealth of Australia by



The Honourable Kevin Rudd MP
Prime Minister of the Commonwealth of Australia

[Day] [Month] [Year]

18 July 2013

Signed for and on behalf of the State of New South Wales by

The Honourable Barry O'Farrell MP
Premier of the State of New South Wales

[Day] [Month] [Year]

Signed for and on behalf of the State of Queensland by

The Honourable Campbell Newman MP
Premier of the State of Queensland

[Day] [Month] [Year]

Signed for and on behalf of the State of South Australia by

The Honourable Jay Weatherill MP
Premier of the State of South Australia

[Day] [Month] [Year]

Signed for and on behalf of the Australian Capital Territory by

Katy Gallagher MLA
Chief Minister of the Australian Capital Territory

[Day] [Month] [Year]

Signed for and on behalf of the State of Victoria by

The Honourable Denis Napthine MLA
Premier of the State of Victoria

[Day] [Month] [Year]

Signed for and on behalf of the State of Western Australia by

The Honourable Colin Barnett MLA
Premier of the State of Western Australia

[Day] [Month] [Year]

Signed for and on behalf of the State of Tasmania by

The Honourable Lara Giddings MP
Premier of the State of Tasmania

[Day] [Month] [Year]

Signed for and on behalf of the Northern Territory by

The Honourable Adam Giles MLA
Chief Minister of the Northern Territory of Australia

[Day] [Month] [Year]

The Parties have confirmed their commitment to this agreement as follows:

Signed for and on behalf of the Commonwealth of Australia by

The Honourable Kevin Rudd MP
Prime Minister of the Commonwealth of Australia
[Day] [Month] [Year]

Signed for and on behalf of the State of New South Wales by

The Honourable Barry O'Farrell MP
Premier of the State of New South Wales
[Day] [Month] [Year]

Signed for and on behalf of the State of Victoria by

The Honourable Denis Napthine MLA
Premier of the State of Victoria
[Day] [Month] [Year]

Signed for and on behalf of the State of Queensland by

The Honourable Campbell Newman MP
Premier of the State of Queensland
[Day] [Month] [Year]

Signed for and on behalf of the State of Western Australia by

The Honourable Colin Barnett MLA
Premier of the State of Western Australia
[Day] [Month] [Year]

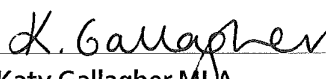
Signed for and on behalf of the State of South Australia by

The Honourable Jay Weatherill MP
Premier of the State of South Australia
[Day] [Month] [Year]

Signed for and on behalf of the State of Tasmania by

The Honourable Lara Giddings MP
Premier of the State of Tasmania
[Day] [Month] [Year]

Signed for and on behalf of the Australian Capital Territory by


Katy Gallagher MLA
Chief Minister of the Australian Capital Territory
[Day] [Month] [Year]

Signed for and on behalf of the Northern Territory by

The Honourable Adam Giles MLA
Chief Minister of the Northern Territory of Australia
[Day] [Month] [Year]

The Parties have confirmed their commitment to this agreement as follows:

Signed for and on behalf of the Commonwealth of Australia by



The Honourable Kevin Rudd MP
Prime Minister of the Commonwealth of Australia

[Day] [Month] [Year]

Signed for and on behalf of the State of New South Wales by



The Honourable Barry O'Farrell MP
Premier of the State of New South Wales

[Day] [Month] [Year]

Signed for and on behalf of the State of Victoria by

The Honourable Denis Napthine MLA
Premier of the State of Victoria

[Day] [Month] [Year]

Signed for and on behalf of the State of Queensland by

The Honourable Campbell Newman MP
Premier of the State of Queensland

[Day] [Month] [Year]

Signed for and on behalf of the State of Western Australia by

The Honourable Colin Barnett MLA
Premier of the State of Western Australia

[Day] [Month] [Year]

Signed for and on behalf of the State of South Australia by

The Honourable Jay Weatherill MP
Premier of the State of South Australia

[Day] [Month] [Year]

Signed for and on behalf of the State of Tasmania by

The Honourable Lara Giddings MP
Premier of the State of Tasmania

[Day] [Month] [Year]

Signed for and on behalf of the Australian Capital Territory by

Katy Gallagher MLA
Chief Minister of the Australian Capital Territory

[Day] [Month] [Year]

Signed for and on behalf of the Northern Territory by

The Honourable Adam Giles MLA
Chief Minister of the Northern Territory of Australia

[Day] [Month] [Year]

The Parties have confirmed their commitment to this agreement as follows:

Signed for and on behalf of the Commonwealth
of Australia by



The Honourable Kevin Rudd MP
Prime Minister of the Commonwealth of Australia

[Day] [Month] [Year]
18 July 2013

Signed for and on behalf of the
State of New South Wales by

The Honourable Barry O'Farrell MP
Premier of the State of New South Wales

[Day] [Month] [Year]

Signed for and on behalf of the
State of Queensland by

The Honourable Campbell Newman MP
Premier of the State of Queensland

[Day] [Month] [Year]

Signed for and on behalf of the
State of South Australia by

The Honourable Jay Weatherill MP
Premier of the State of South Australia

[Day] [Month] [Year]

Signed for and on behalf of the *Australian
Capital Territory* by

Katy Gallagher MLA
Chief Minister of the Australian Capital Territory

[Day] [Month] [Year]

Signed for and on behalf of the
State of Victoria by

The Honourable Denis Napthine MLA
Premier of the State of Victoria

[Day] [Month] [Year]

Signed for and on behalf of the
State of Western Australia by

The Honourable Colin Barnett MLA
Premier of the State of Western Australia

[Day] [Month] [Year]

Signed for and on behalf of the
State of Tasmania by

The Honourable Lara Giddings MP
Premier of the State of Tasmania

[Day] [Month] [Year]

Signed for and on behalf of the *Northern
Territory* by

The Honourable Adam Giles MLA
Chief Minister of the Northern Territory of Australia

[Day] [Month] [Year]

The Parties have confirmed their commitment to this agreement as follows:

Signed for and on behalf of the Commonwealth of Australia by



The Honourable Kevin Rudd MP
Prime Minister of the Commonwealth of Australia

[Day] [Month] [Year]
18 July 2013

Signed for and on behalf of the State of New South Wales by

The Honourable Barry O'Farrell MP
Premier of the State of New South Wales

[Day] [Month] [Year]

Signed for and on behalf of the State of Queensland by

The Honourable Campbell Newman MP
Premier of the State of Queensland

[Day] [Month] [Year]

Signed for and on behalf of the State of South Australia by

The Honourable Jay Weatherill MP
Premier of the State of South Australia

[Day] [Month] [Year]

Signed for and on behalf of the Australian Capital Territory by

Katy Gallagher MLA
Chief Minister of the Australian Capital Territory

[Day] [Month] [Year]

Signed for and on behalf of the State of Victoria by



The Honourable Denis Naphine MLA
Premier of the State of Victoria

[Day] [Month] [Year]

14/8/2013

Signed for and on behalf of the State of Western Australia by

The Honourable Colin Barnett MLA
Premier of the State of Western Australia

[Day] [Month] [Year]

Signed for and on behalf of the State of Tasmania by

The Honourable Lara Giddings MP
Premier of the State of Tasmania

[Day] [Month] [Year]

Signed for and on behalf of the Northern Territory by

The Honourable Adam Giles MLA
Chief Minister of the Northern Territory of Australia

[Day] [Month] [Year]

The Parties have confirmed their commitment to this agreement as follows:

Signed for and on behalf of the Commonwealth of Australia by



The Honourable Kevin Rudd MP
Prime Minister of the Commonwealth of Australia

[Day] [Month] [Year]
18 July 2013

Signed for and on behalf of the State of New South Wales by

The Honourable Barry O'Farrell MP
Premier of the State of New South Wales

[Day] [Month] [Year]

Signed for and on behalf of the State of Queensland by

The Honourable Campbell Newman MP
Premier of the State of Queensland

[Day] [Month] [Year]

Signed for and on behalf of the State of South Australia by

The Honourable Jay Weatherill MP
Premier of the State of South Australia

[Day] [Month] [Year]

Signed for and on behalf of the Australian Capital Territory by

Katy Gallagher MLA
Chief Minister of the Australian Capital Territory

[Day] [Month] [Year]

Signed for and on behalf of the State of Victoria by

The Honourable Denis Napthine MLA
Premier of the State of Victoria

[Day] [Month] [Year]

Signed for and on behalf of the State of Western Australia by

The Honourable Colin Barnett MLA
Premier of the State of Western Australia

[Day] [Month] [Year]

Signed for and on behalf of the State of Tasmania by

The Honourable Lara Giddings MP
Premier of the State of Tasmania

[Day] [Month] [Year]
30 August 2013

Signed for and on behalf of the Northern Territory by

The Honourable Adam Giles MLA
Chief Minister of the Northern Territory of Australia

[Day] [Month] [Year]

National Partnership Agreement on Pay Equity for the Social and Community Services Sector

The Parties have confirmed their commitment to this agreement as follows:

Signed for and on behalf of the Commonwealth of Australia by

The Honourable Kevin Rudd MP
Prime Minister of the Commonwealth of Australia

[Day] [Month] [Year]

Signed for and on behalf of the State of New South Wales by

The Honourable Barry O'Farrell MP
Premier of the State of New South Wales

[Day] [Month] [Year]

Signed for and on behalf of the State of Victoria by

The Honourable Denis Napthine MLA
Premier of the State of Victoria

[Day] [Month] [Year]

Signed for and on behalf of the State of Queensland by

The Honourable Campbell Newman MP
Premier of the State of Queensland

[Day] [Month] [Year]

Signed for and on behalf of the State of Western Australia by

The Honourable Colin Barnett MLA
Premier of the State of Western Australia

[Day] [Month] [Year]

Signed for and on behalf of the State of South Australia by

The Honourable Jay Weatherill MP
Premier of the State of South Australia

[Day] [Month] [Year]

Signed for and on behalf of the State of Tasmania by

The Honourable Lara Giddings MP
Premier of the State of Tasmania

[Day] [Month] [Year]

Signed for and on behalf of the Australian Capital Territory by


Katy Gallagher MLA
Chief Minister of the Australian Capital Territory

[Day] [Month] [Year]

Signed for and on behalf of the Northern Territory by


The Honourable Adam Giles MLA
Chief Minister of the Northern Territory of Australia

[Day] [Month] [Year]

6th November 2013

The Parties have confirmed their commitment to this agreement as follows:

Signed for and on behalf of the Commonwealth of Australia by

The Honourable Kevin Rudd MP
Prime Minister of the Commonwealth of Australia
[Day] [Month] [Year]

Signed for and on behalf of the State of New South Wales by

The Honourable Barry O'Farrell MP
Premier of the State of New South Wales
[Day] [Month] [Year]

Signed for and on behalf of the State of Victoria by

The Honourable Denis Napthine MLA
Premier of the State of Victoria
[Day] [Month] [Year]

Signed for and on behalf of the State of Queensland by

The Honourable Campbell Newman MP
Premier of the State of Queensland
10/9/2014
[Day] [Month] [Year]

Signed for and on behalf of the State of Western Australia by

The Honourable Colin Barnett MLA
Premier of the State of Western Australia
[Day] [Month] [Year]

Signed for and on behalf of the State of South Australia by

The Honourable Jay Weatherill MP
Premier of the State of South Australia
[Day] [Month] [Year]

Signed for and on behalf of the State of Tasmania by

The Honourable Lara Giddings MP
Premier of the State of Tasmania
[Day] [Month] [Year]

Signed for and on behalf of the Australian Capital Territory by

Katy Gallagher MLA
Chief Minister of the Australian Capital Territory
[Day] [Month] [Year]

Signed for and on behalf of the Northern Territory by

The Honourable Adam Giles MLA
Chief Minister of the Northern Territory of Australia
[Day] [Month] [Year]

The Parties have confirmed their commitment to this agreement as follows:

Signed for and on behalf of the Commonwealth of Australia by

The Honourable Kevin Rudd MP
Prime Minister of the Commonwealth of Australia
[Day] [Month] [Year]

Signed for and on behalf of the State of New South Wales by

The Honourable Barry O'Farrell MP
Premier of the State of New South Wales
[Day] [Month] [Year]

Signed for and on behalf of the State of Queensland by

The Honourable Campbell Newman MP
Premier of the State of Queensland
[Day] [Month] [Year]

Signed for and on behalf of the State of South Australia by

The Honourable Jay Weatherill MP
Premier of the State of South Australia
[Day] [Month] [Year]

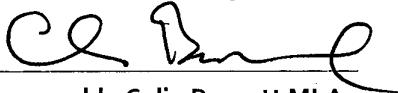
Signed for and on behalf of the Australian Capital Territory by

Katy Gallagher MLA
Chief Minister of the Australian Capital Territory
[Day] [Month] [Year]

Signed for and on behalf of the State of Victoria by

The Honourable Denis Napthine MLA
Premier of the State of Victoria
[Day] [Month] [Year]

Signed for and on behalf of the State of Western Australia by

 **18 MAR 2015**
The Honourable Colin Barnett MLA
Premier of the State of Western Australia
[Day] [Month] [Year]

Signed for and on behalf of the State of Tasmania by

The Honourable Lara Giddings MP
Premier of the State of Tasmania
[Day] [Month] [Year]

Signed for and on behalf of the Northern Territory by

The Honourable Adam Giles MLA
Chief Minister of the Northern Territory of Australia
[Day] [Month] [Year]

Schedule A – Financial Contributions

NATIONAL PARTNERSHIP AGREEMENT ON PAY EQUITY FOR THE SOCIAL AND COMMUNITY SERVICES SECTOR

Table A.1: Estimated financial contributions to New South Wales by National SPP and National Partnership Agreement

(\$'000)	2012-13	2013-14	2014-15	2015-16
<i>Specific Purpose Payments</i>				
National Affordable Housing	376.87	1,042.28	1,732.42	2,441.53
National Disability Services	2,090.92	5,897.87	10,152.42	14,774.24
<i>National Partnership Agreements</i>				
Homelessness	193.23			
National Perinatal Depression Initiative	2.31			
Transitioning Responsibilities for Aged Care and Disability Services	248.34	691.50		
National Mental Health Reform	59.41	161.25	263.10	364.94
Total	2,971.08	7,792.90	12,147.94	17,580.71

Note: Figures in this table may be subject to rounding.

Table A.2: Estimated financial contributions to Victoria by National SPP and National Partnership Agreement

(\$'000)	2012-13	2013-14	2014-15	2015-16
<i>Specific Purpose Payments</i>				
National Affordable Housing	1,031.45	2,919.79	4,972.63	7,036.66
National Disability Services	2,853.78	8,448.38	14,603.69	21,338.83
<i>National Partnership Agreements</i>				
Homelessness	336.82			
National Perinatal Depression Initiative	4.39			
Home and Community Care Program Review Agreement	799.53	2,348.66	4,147.25	
National Mental Health Reform	27.94	77.34	127.92	142.49
Total	5,053.91	13,794.17	23,851.49	28,517.98

Note: Figures in this table may be subject to rounding.

Table A.3: Estimated financial contributions to Queensland by National SPP and National Partnership Agreement

(\$'000)	2012-13	2013-14	2014-15	2015-16
<i>Specific Purpose Payments</i>				
National Affordable Housing	1,542.80	3,146.14	3,924.34	4,705.26
National Disability Services	8,330.12	17,889.72	22,975.00	28,444.65
<i>National Partnership Agreements</i>				
Homelessness	1,472.16			
National Perinatal Depression Initiative				
Transitioning Responsibilities for Aged Care and Disability Services	558.92	1,128.96		
National Mental Health Reform	308.63	1,054.76	1,308.20	1,025.21
Total	12,212.62	23,219.58	28,207.54	34,175.12

Note: Figures in this table may be subject to rounding.

Table A.4: Estimated financial contributions to Western Australia by National SPP and National Partnership Agreement

Note: Figures in these tables may be subject to rounding.

(\$'000)	2012-13	2013-14	2014-15	2015-16
<i>Specific Purpose Payments</i>				
National Affordable Housing	266.98	743.44	1,248.81	1,776.59
National Disability Services	1,178.78	3,675.68	6,388.57	9,384.75
<i>National Partnership Agreements</i>				
Homelessness	216.93			
National Perinatal Depression Initiative	2.37			
Home and Community Care Program Review Agreement	347.70	1,021.39	1,803.57	
National Mental Health Reform	16.71	51.54	89.48	136.32
Total	2,029.47	5,492.05	9,530.43	11,297.66

Table A.4.1: Estimated financial contributions to Western Australia, as a result of the Western Australian Industrial Relations Commission decision of 29 August 2013, by National SPP and National Partnership Agreement³

(\$'000)	2012-13	2013-14	2014-15	2015-16
<i>Specific Purpose Payments</i>				
National Affordable Housing		222.91	416.27	592.20
National Disability Services		1,102.12	2,129.52	3,128.25
Homelessness				
National Perinatal Depression Initiative		3.58		
Home and Community Care Program Review Agreement		306.25	601.19	
National Mental Health Reform		15.45	29.83	45.44
Total		1,650.32	3,176.81	3,765.89

³ Legislative amendments to the Social and Community Services Pay Equity Special Account Act 2012 will be processed to amend the definition of Pay Equity Order to include the Western Australian Industrial Relations Commission decision of 29 August 2013

Example of recourse process for grants-based funding arrangements

FUNDING ADJUSTMENT OFFER TOO LOW

B13. States will need to allow an Eligible Service Provider to lodge a request for review if they consider the funding adjustment offer is not adequate and places their organisation into hardship; that is, there would be a substantial reduction or closure of services as a result of the underfunding. When this occurs the following steps are recommended:

(a) The State should discuss with the Eligible Service Provider their concerns. If the provider has misunderstood the process or the funding adjustment, and this is explained, there may not be a problem.

(b) The Eligible Service Provider will be required to demonstrate the extent of under-supplementation by providing relevant documentation broken down by funding stream/program (including all funding sources) to the State. Documentation provided by the Eligible Service Provider to the State agency should include:

- i. the number of full time equivalent (FTE) employees by classification level;
- ii. evidence and/or assurance that these employees were covered by the SACS Modern Award or the pre-Modern Award SACS Industrial instruments as at 1 February 2012 and impacted the Pay Equity Orders (this could require duty statements so award coverage can be checked);
- iii. the actual rates paid to these employees (that is, payroll documentation);
- iv. the distribution of these FTEs to all programs; and
- v. that there is no expected change/reduction in staffing numbers and levels in the current financial year.

(c) Following receipt of this information, the State will assess the Eligible Service Provider's claim for additional supplementation, and make a determination if further supplementation is required.

(d) The State will communicate the outcome to the Eligible Service Provider and proceed (or otherwise) with funding adjusted supplementation payments.

(e) This process is to be completed within a reasonable time – that is, within 30 days of receiving the relevant information from the provider seeking a review.

FUNDING ADJUSTMENT OFFER TOO HIGH

B14. If an Eligible Service Provider considers their funding adjustment offer is too high, they should advise the relevant State agency of the lower funding adjustment amount they consider is more appropriate.

B15. The State will issue a revised offer, subject to obtaining any required clarification, for the lower amount for the Eligible Service Provider's acceptance.

Table A.5: Estimated financial contributions to South Australia by National SPP and National Partnership Agreement

(\$'000)	2012-13	2013-14	2014-15	2015-16
<i>Specific Purpose Payments</i>				
National Affordable Housing	229.73	622.16	1,011.75	1,424.11
National Disability Services	747.22	1,704.16	2,929.80	4,258.29
<i>National Partnership Agreements</i>				
Homelessness	117.01			
National Perinatal Depression Initiative	1.16			
Transitioning Responsibilities for Aged Care and Disability Services	192.18	564.18		
National Mental Health Reform	28.09	77.67	127.48	180.49
Total	1,315.39	2,968.17	4,069.03	5,862.89

Note: Figures in this table may be subject to rounding.

Table A.6: Estimated financial contributions to Tasmania by National SPP and National Partnership Agreement

(\$'000)	2012-13	2013-14	2014-15	2015-16
<i>Specific Purpose Payments</i>				
National Affordable Housing	107.68	280.70	437.41	613.61
National Disability Services	349.66	797.60	1,366.62	1,979.62
<i>National Partnership Agreements</i>				
Homelessness	31.78			
National Perinatal Depression Initiative				
Transitioning Responsibilities for Aged Care and Disability Services	81.01	229.83		
National Mental Health Reform	19.47	50.98	86.06	123.52
Total	589.59	1,359.11	1,890.10	2,716.75

Note: Figures in this table may be subject to rounding.

Table A.7: Estimated financial contributions to the Australian Capital Territory by National SPP and National Partnership Agreement

(\$'000)	2012-13	2013-14	2014-15	2015-16
<i>Specific Purpose Payments</i>				
National Affordable Housing	70	214	371	543
National Disability Services	190	518	902	1,323
<i>National Partnership Agreements</i>				
Homelessness	9			
National Perinatal Depression Initiative	2	6	11	17
Transitioning Responsibilities for Aged Care and Disability Services	0	0	0	0
National Mental Health Reform	9	26	45	66
Total	280	764	1,329	1,949

Note: Figures in this table may be subject to rounding.

Table A.8: Estimated financial contributions to the Northern Territory by National SPP and National Partnership Agreement

(\$'000)	2012-13	2013-14	2014-15	2015-16
<i>Specific Purpose Payments</i>				
National Affordable Housing	94.19	195.88	218.41	307.93
National Disability Services	91.36	253.94	437.30	636.62
<i>National Partnership Agreements</i>				
Homelessness	70.65			
National Perinatal Depression Initiative	0.51			
Transitioning Responsibilities for Aged Care and Disability Services	45.18	126.50		
National Mental Health Reform	2.36	6.39	10.43	14.47
Total	304.25	582.71	666.14	959.02

Note: Figures in this table may be subject to rounding.

Schedule B – Implementation Plans for the Calculation and Allocation of Supplementation

NATIONAL PARTNERSHIP AGREEMENT ON PAY EQUITY FOR THE SOCIAL AND COMMUNITY SERVICES SECTOR

- B1. In accordance with clause 18, States will develop Implementation Plans setting out the jurisdiction's strategy for calculating and allocating supplementation to Eligible Service Providers.
- B2. Each jurisdiction's Implementation Plan must set out a clear and fair process that is consistent with this Agreement and the principles of procedural fairness.

GRANTS-BASED FUNDING ARRANGEMENTS

- B3. For grants-based funding arrangements, at a minimum, Implementation Plans must include the following information:
 - (a) how the eligibility of organisations will be determined;
 - (b) the method to be used for calculating the supplementation for Eligible Service Providers;
 - (c) how the jurisdiction will obtain sufficient certification from Eligible Service Providers that funds have only been used for the purposes of wage costs associated with the Pay Equity Orders;
 - (d) the process that will be available for Eligible Service Providers who consider their funding offer places them in hardship; and
 - (e) the jurisdiction's strategy for engaging with the sector to communicate offers.

UNIT-PRICE-BASED FUNDING ARRANGEMENTS

- B4. For unit-price-based funding arrangements, at a minimum, Implementation Plans must include the following information:
 - (a) the method to be used for calculating the supplementation for Eligible Service Providers; and
 - (b) the jurisdiction's strategy for engaging with the sector to communicate offers.

Example Methodology for the Calculation of Supplementation

- B5. The Commonwealth has provided the following example of a methodology for the calculation of supplementation. States may either use this methodology or develop on another that the Commonwealth is satisfied meets the requirements of clause B2.

- B6. States may calculate Commonwealth supplementation provided to Eligible Service Providers using the following variables:
- (a) the value of National Specific Purpose Payment or National Partnership Agreement funding provided to Eligible Service Providers through the States; *multiplied by*
 - (b) an estimated proportion of total National Specific Purpose Payment or National Partnership Agreement funding used by Eligible Service Providers for wages of employees affected by the Pay Equity Order; *multiplied by*
 - (c) an estimated difference in wage rates between the previously effective State awards and the Award.
- B7. The value of National Specific Purpose Payment or National Partnership Agreement funding provided to Eligible Service Providers is known by the relevant State departments through which Commonwealth funding is provided.
- B8. The estimated proportion of total National Partnership Agreement funding used by Eligible Service Providers for wages of employees affected by the Pay Equity Order is to be determined by the relevant State given the specific circumstances in their jurisdictions.
- B9. The estimated difference in wage rates between the previously effective State awards and the current Award are known by the relevant State departments for Workplace Relations.

Example of process for certification by Eligible Service Providers for grants-based funding arrangements

- B10. States will be required to obtain certification from Eligible Service Providers that any supplementation provided is only to be used to meet the wage increases imposed under the Pay Equity Orders. States may determine the appropriate method for obtaining certifications.
- B11. As an example, the State may require certification at the same time the organisation accepts their funding adjustment offer. In this case, Eligible Service Providers should certify that they meet the following conditions:
- i. employed eligible SACS workers (i.e. those covered by the SACS Modern Award and impacted by the SACS Pay Equity Orders) on 1 February 2012; and
 - ii. currently employ eligible SACS workers; and
 - iii. agree to use the State's SACS funding adjustment to meet the wage increases imposed under the Pay Equity Orders; and
 - iv. agree to the total funding adjustment amount detailed in the Offer.
- B12. There are some additional conditions for Eligible Service Providers in Queensland and Western Australia.
- (a) Queensland providers will be required to certify whether they are required to pay at the Queensland Industrial Relations Commission or Fair Work Australia rates.
 - (b) Western Australian providers should certify that they are a constitutional corporation and therefore in-scope of the Pay Equity Orders.