

Justice G Giudice

President
Fair Work Australia
GPO Box 1994
MELBOURNE VIC 3001

By email: ERCase@fwa.gov.au

28th July 2011

Equal Remuneration Case (C2010/3131)

Dear Justice Giudice,

I refer to the above matter and enclose for filing the written submission of the Federation of Community Legal Centres (Victoria) Inc and Community Legal Centres NSW Inc, including one attachment (Mercer Benchmarking Review Final Report 20110630).

Sincerely,



Hugh de Kretser

Executive Officer
Direct line (03) 9652 1505

Level 3
225 Bourke Street
Melbourne
Victoria 3000

Tel: 03-9652 1500
Fax: 03-9654 5204
administration@fclc.org.au
www.communitylaw.org.au

Federation of
Community Legal Centres
(Victoria) Inc
Registration A0013713H
ABN 30 036 539 902

FAIR WORK AUSTRALIA: EQUAL REMUNERATION CASE (C2010/3131)

SUBMISSION BY THE FEDERATION OF COMMUNITY LEGAL CENTRES (VICTORIA) INC and COMMUNITY LEGAL CENTRES NSW INC

About the Submission Authors

1. Community legal centres (CLCs) are independent community organisations that provide free legal services to the public, focussing on helping clients who face economic and social disadvantage and who have nowhere else to go for help.
2. CLCs services are focussed on assisting the most disadvantaged in the community, such as services in domestic violence, tenancy, victims of crime, and homelessness. The most recent government review of CLCs noted that 58% of community legal sector clients received some form of income support and 82% of clients earned less than \$26,000 per annum.¹
3. The Federation of Community Legal Centres (Vic) Inc (Federation) is the peak body for 49 Victorian CLCs. The Federation leads and supports community legal centres to make justice accessible for all. The Federation:
 - a. provides information and referrals to people seeking legal assistance;
 - b. initiates and resources law reform and policy work to develop a fairer legal system that better responds to the needs of the disadvantaged;
 - c. works to build a stronger and more effective community legal sector;
 - d. provides services and support to community legal centres; and
 - e. represents community legal centres with stakeholders.
4. Community Legal Centres NSW Inc. (CLCNSW) is the peak body for 40 CLCs in NSW. CLCNSW provides services to CLCs as a group and to individual centres, in the areas of network maintenance and development, communications and information, legal policy development and advocacy, and sector maintenance and development. CLCNSW coordinates strategic direction and development for the sector as a whole, liaises and negotiates with Government on relevant legal and equity issues as well as funding and program issues.
5. The Federation and CLCNSW are both members of the National Association of Community Legal Centres ("NACLC").

¹ Review of the Commonwealth Community Legal Services Program March 2008, 6.
<<http://www.ag.gov.au/www/agd/agd.nsf/Page/RWP6DE98B3437EEB6FDCA25742D007B0738>>

CLC workforce is predominantly female

6. In early 2011, the Federation conducted a survey of Victorian CLCs focused on obtaining up to date workforce data. 88% of CLCS responded to the survey. The research confirmed that a large majority of the Victorian CLC workforce is female. Over the 485 positions, the total gender breakdown was 73% female and 27% male.

7. The latest information about the NSW CLC staffing profile is contained in the 2006 Review of the NSW Community Legal Centres Funding Program², which also identified an overwhelmingly female workforce. Furthermore, 52% of the NSW workforce was reported to be employed part-time.

8. By extrapolating these figures and anecdotal evidence from CLCs in other states, it is clear that the national CLC workforce is highly feminised.

CLC lawyers and managers are poorly paid relative to equivalent work-value positions in the government and private sector.

9. The Federation's earlier submission to Fair Work Australia, dated 8th April 2011 and attached, referenced a 2006 report by Mercer Human Resources which benchmarked salaries for six core CLC roles against relevant market data. In 2011, CLCNSW engaged Mercer to review and update the work value of six core CLC roles and to provide high level remuneration comparison with reference to relevant public sector positions, updating data provided in 2006 to reflect 2011 status.

10. The key findings of the 2011 Mercer Report, as attached:

highlight that more generally, administrative positions are remunerated competitively when compared against salaries relating to the comparator awards, however, remuneration competitiveness decreases significantly for these same awards for those more senior positions such as Centre Manager, Principal Solicitor and Solicitor.

11. The 2011 Mercer Report recommends that:

In 2011, for CLCs to remain competitive the following increases would need to be applied:

- Centre Manager - 75%
- Principal Solicitor - 75%
- Solicitor - 24%
- Community Worker - 14%
- Finance Officer - 5%
- Administrator - 4%

to ensure alignment to the minimum of the APS remuneration at the equivalent level and to bring the positions within the compa-ratio range of 0.85.

² 79% of CLCs responded to the review survey, reporting a total of 324 staff. Of those 324, 80% were women [Review of the NSW Community Legal Centres Funding Program Final Report, Published by Legal Aid Commission of NSW, July 2006, pp 31-32]

12. To illustrate the above recommendation, a solicitor on a NSW SACS salary of \$55,857 is paid \$25,000 less than the equivalent position under the Commonwealth Attorney-General's Department Salary Scales (page 14, Mercer 2011). There is no difference in the professional qualifications and standards for these two positions.
13. The Federation and CLCNSW believe that gender is a factor in the low pay rates in CLCs compared to comparable public sector positions.
14. Low wages in the CLC sector creates difficulties in recruitment and retention of workers in the sector, who are often attracted to the higher salaries of comparable work elsewhere.
15. The Federation and CLCNSW cannot comment on the exact amounts to be included in any equal remuneration order. However the 2011 Mercer Report supports the view held by the Federation and CLCNSW that the award based pay rates for CLCs are not competitive with pay rates for public sector positions of equivalent work value and should be significantly increased.