



EMPLOYEES WITH A DISABILITY – BUSINESS SERVICES

Who is an employee with a disability?

An employee with a disability is an employee who qualifies for a disability support pension or would qualify for a disability support pension if they did not have to meet Australian residency requirements.

What are business services?

Business services (also known as supported employment services or sheltered workshops) means the employment of employees with a disability in supported employment services as defined in the *Disability Services Act 1986*.

In general terms business services are charitable not-for-profit organisations and have traditionally operated outside of the federal and state systems of employment regulation as a result of the lack of specific award coverage (federal) or statutory exemption (state). Business services receive federal government funding and are required to be accredited and meet specified standards.

What effect did Work Choices have on wage arrangements for employees with a disability?

Work Choices preserved pre-existing wage arrangements for employees with a disability in both federal and state award systems through preserved Pay Scales. In business services, this means arrangements for employers who, prior to 27 March 2006, were bound by the Liquor, Hospitality and Miscellaneous Union (Supported Employment Services) Award 2005 [Fed] [AW841959] (LHMU Award) are covered by the preserved Pay Scale derived from this award.¹

Why has the Commission made special arrangements for business services?

There were gaps in the coverage of statutory minimum rates of pay for employees with a disability. In the business services sector, this meant that unless the employer of an employee with a disability was bound by the LHMU Award or other award, there was no statutory minimum hourly rate of pay or provision for pro rata arrangements for the employee. Only 15 of over 200 business services were respondent to the LHMU Award.

¹ The Supported Employees Industry Award 1998 [WA] does not contain rates of pay and so did not translate into preserved Pay Scales for employees covered by the award.

What is the Commission doing to fill these gaps in coverage for employees with a disability in business services?

The Commission has established a new special Pay Scale that provides pro rata wages for employees with a disability employed in business services sector (other than in a managerial or supervisory capacity) and who are not covered by the preserved Pay Scale derived from the LHMU Award.

This special Pay Scale largely replicates the wage provisions of the LHMU Award. The special Pay Scale specifies a total of seven wage classifications and provides for pro rata assessment of wage rates using one of a number of wage assessment tools.

The special Pay Scale includes the wage tools identified in the LHMU Award and the 11 additional wage assessment tools which were agreed to by industry parties. Some of these wage assessment tools may only be used by the business services who are currently using them.

Variation of the LHMU Award preserved Pay Scales

Business services employees who were covered by the LHMU Award prior to 27 March 2006 continue to be covered by the terms of the preserved Pay Scale. This Pay Scale has been varied by the Commission to include the 11 additional wage assessment tools agreed by the parties.

Need further information?

If you would like to view the Commission's Decision in full or check the fact sheets available, you can visit the **AFPC web site** at www.fairpay.gov.au

In particular, the following fact sheets may be of interest:

- Employees with a disability – Coverage of new wage instruments
- Employees with a disability – Overview
- Employees with a disability – Open employment where the employee's productive capacity is not impaired by their disability
- Employees with a disability – Open employment where an employee with a disability is unable to perform the range of duties to the competence level required

If you would like more information on wage rates, call the **WorkChoices Infoline** on **1300 363 264**