



## Paraquad Fact Sheet – Decision 1/2009

On 6 May 2009, the Australian Fair Pay Commission issued a decision not to approve the use of the Paraplegic-Quadriplegic Association of WA (Inc) Wage Assessment Tool (Paraquad WAT). This decision followed a lengthy review of the WAT during which the Commission sought information from Paraquad, received independent advice and obtained the views of its expert advisory group, the Disability Roundtable.

In May 2008 the Commission granted conditional approval for a period of twelve months to Paraquad for the use of their WAT. This decision followed advice from the Disability Roundtable that there were a number of issues and concerns which required further clarification.

Following this decision the Commission provided Paraquad with details of the outstanding issues and sought Paraquad's response. This response was considered by the Disability Roundtable and further information sought from Paraquad.

The Commission also sought an assessment of Paraquad's submissions and responses from an independent expert, Jenny Pearson and Associates, and invited Paraquad's response to the assessment.

All material received was again reviewed by the Disability Roundtable. The majority of members advised that, in their view, a number of issues remained unresolved. In particular, these included the 'Minute' allocation system, the level of tasks included in the job description provided by Paraquad and the mathematical method of wage calculation (the multiplier effect).

Materials considered by the Commission and the Disability Roundtable include:<sup>1</sup>

- submissions from Paraquad and the Chamber of Commerce and Industry Western Australia (on behalf of Paraquad);
- Paraquad's responses to the outstanding issues and concerns expressed by members of the Disability Roundtable; and
- assessments of the Paraquad WAT by independent consultants, Jenny Pearson and Associates, and Paraquad's response to these assessments.

Following consideration of all material the Commission met with Paraquad on 1 May 2009 to provide an opportunity for the organisation to put views directly to the Commission before its final determination.

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<sup>1</sup> A full list of materials is included at [Appendix A](#).

A threshold issue of concern to the Commission remained – the operation of the Paraquad WAT 'Minute' allocation system.

All wage assessment tools, if applied to a person without disability, should deliver the relevant full adult wage. Specifically, full adult wages (the benchmark classification wage) should only be adjusted to reflect the lack of productive capacity resulting from a disability. WATs establish the method by which this productive capacity is assessed.

To understand the operation of the 'Minute' allocation system in the Paraquad WAT a number of scenarios were developed. These scenarios demonstrated that a fully productive employee without a disability could be assessed as less than fully productive due solely to the operation of the 'Minute' allocation system.

In such circumstances the maximum rate of pay for a fully productive employee would be lower than the relevant minimum classification wage. When applied to a person with a disability the 'Minute' allocation system reduces the maximum rate of pay even before further discounting to reflect work quality and supervision assessments.

In the Commission's view the 'Minute' allocation system leads to unacceptable wage outcomes for employees assessed under the Paraquad WAT and cannot be approved.

However, the Commission is concerned that Paraquad has sufficient opportunity to enter into discussions with the funding authority FaHCSIA to enable a progression to the use of an alternative WAT, approved for general use under the Special Business Services Pay Scale.

The Commission will therefore allow an interim period until 31 May 2009 to provide Paraquad this opportunity. The Paraquad WAT will be removed from the Special Business Services Pay Scale from 1 June 2009.