
WACOSS welcomes McGowan Government decision to support fairer funding for sector

The Western Australian Council of Social Service (WACOSS) welcomes the State Government's announcement today of changes to the indexation policy for community service contracts.

Louise Giolitto, Chief Executive Officer, WACOSS, said that the changes announced by the McGowan Government are a reversal of an unfair and unreasonable policy introduced by the then Barnett Government in 2015.

"This is welcome news and is an issue that WACOSS, Community Employers Western Australia (CEWA), and the community services sector has continually advocated on to the State Government," said Louise Giolitto.

"The McGowan Government is to be strongly commended for taking this important action to reverse the unfair decision by the Barnett Government in 2015 to change the indexation formula, which put jobs and services at risk."

Introduced in 2004, the Non-Government Human Services Sector (NGHSS) Indexation Policy used a methodology set at 80 per cent Wage Price Index and 20 per cent CPI for community service contracts. This was changed in 2015, when the then Barnett Government altered the indexation policy to 100 per cent CPI, leaving no allowance for wage growth.

The impact of the change in indexation, resulted in reduced funding to the sector, and for some providers, resulted in a reduction of the services they could provide to the community.

The issue of indexation has been a consistent theme in WACOSS submissions to Government and policy work since the changes were made.

"Western Australians have the right to expect high-quality services - and that means funding them properly. The community services sector is one of the fastest growing areas of the economy, and investing back into the sector is investing into our collective future and prosperity.

"While this does not address the historical and ongoing shortfall in funding many services face as a result of award obligations under the Equal Remuneration Order, this is a crucial step in providing fair and sustainable funding for the services on which our community relies," Louise concluded.

Ends.