

WHAT DOES THE VINNIES MEMO ACTUALLY MEAN?

This bulletin is in response to the Memo by Society management dated 27 April 2010. The Memo contains a lot of complex jargon and misleading statements. It takes an industrial lawyer to understand what it really means and read between the lines! We hope this bulletin makes the situation clear.

Will Your Wages Change?

On the whole, most workers wages will go up on 1 July 2010, but the amount you go up depends on whether you are a shift worker or not. The Society claims that your wages will go up by 2.5% on top of your current rates, however this is not entirely correct. See below.

Non-shift Workers

For workers who are not shift workers, your wages will go up by 2.5% on 1 July 2010 on top of your current Society rates of pay.

Shift Workers

For shift workers, your wages will also go up by 2.5%, however this will be reduced because penalty rates have changed under the Modern Award starting on 1 July 2010:

- Evening penalty rates reduce from 15% to 14.5%
- Night penalty rates reduce from 30% to 27%

So in reality, shift workers are not getting a 2.5% pay increase.

Is 2.5% a Good Pay Increase?

In our view, 2.5% is poor. Inflation this year is running at 2.9% and therefore **your wages are not keeping up with the cost of living**. Whilst it is the case that Vinnies SACS workers earn wages which are above the rest of the sector (by approximately 5% not 20% as suggested by management), this margin will soon disappear if your wages do not keep up with inflation.

The Modern Award – How Does It Affect Us?

On 1 January 2010, the NSW SACS Award was replaced by the Modern Award. However, a lot of the old NSW SACS Award was preserved or maintained until some later date. This means that different parts of the Modern Award will come into effect gradually. Below are the dates that the Modern Award **can** come into effect:

- **1 July 2011** – Wages and Classification
- **1 July 2010** – Penalty rates and Overtime
- **1 January 2010** – all other matters

This means that **your hourly rate of pay and your classification CAN NOT change** until at least 1 July 2011. **Penalty rates and overtime entitlements can change** from 1 July 2010, but these changes happen only gradually and over 4 years. The full effect of the Modern Award will not be in place until 2014!

Please note: A Federal Modern Award sets minimum standards. Employers choose whether or not to reduce penalties. Vinnies is the ONLY SACS employer in Australia to do this.

Remember also, that:

- The Modern Award ONLY applies to those organisations who declare themselves to be trading corporations, that is, those organisations who were previously under WorkChoices. ***The Society claims to be such an organisation. It did this when it tried to get you to vote for a WorkChoices Agreement in 2009.***

Misleading Statements and Scare Tactics

It seems that the Society is unnecessarily distorting the facts and complicating the issues. Below are the incorrect and misleading statements made in the Society memo and the correct information:

	✗ Misleading Statements made by the Society	✓ Correct Information
1	That the majority of changes in the Modern Award come into effect on 1 July 2010.	<ul style="list-style-type: none"> • Wages and Classification do not change at all until 1 July 2011. • Other conditions which change on 1 July 2010, change very gradually (see penalty rates above) • The full effect of the Modern Award will not be in place until 2014!
2	That the Modern Award wage rates are 20-25% below current Society rates.	<ul style="list-style-type: none"> • The Modern Award rates of pay do not come into effect until 1 July 2011 at the earliest and most likely will never operate once the Equal Pay decision is made. This means that current Award rates stay exactly the same until then. • Society current rates of pay are approximately 5% above current Award rates of pay.

Management Admit They Were Wrong – Workers To Be Back Paid

Members will remember that in August last year we advised you that during the period 1 December 2006 and 1 July 2007 Vinnies SACS workers had been underpaid. At that time, the ASU wrote to the Society and met with Society representatives on a number of occasions to attempt to settle the matter before any legal proceedings were lodged. At that time the Society advised us that they intend to vigorously defend any Court case against them.

Early this year, the ASU asked the Magistrates Court to decide if you had been underpaid. This was on the basis that **the Society has constantly represented itself as an organisation covered by WorkChoices**:

- The Society made several Enterprise Agreements over the last few years with the retail workers and the teachers, which were all Federal WorkChoices Agreements
- The Society wanted SACS workers to vote for its proposed WorkChoices Enterprise Agreement last year– the Society tried to push through this Agreement before WorkChoices was abolished on 1 July 2009.
- You are owed backpay because the Society decided it was covered by WorkChoices a long time ago.

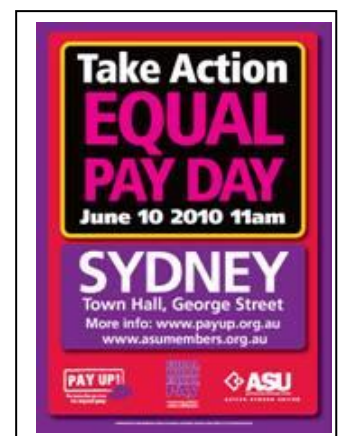
The Society now claims that it is the ASU that is seeking to ‘establish retrospectively’ that the Society was covered by WorkChoices – you be the judge!

Without even defending the case, the Society has agreed to pay you!!! The Society has now finally admitted that they were wrong and that they will not defend the Court case. This back pay will be paid by 30 June 2010. ***The ASU is in discussions with Vinnies’ lawyers now sorting out your back pay.***

Equal Pay All The Way – Don’t Be Distracted by the Memo

The Equal Pay case is the community sector’s big opportunity to get pay increases of 30%! This is bigger than anything your employer has ever offered. **The Society Memo is simply a distraction from the most important case in the history of our sector.**

Vinnies members must join with the rest of the sector in the fight for better pay and more government funding. The **DAY OF ACTION is Thursday 10th June 2010, 11am, Town Hall**. Come one, come all!



For any enquiries please contact Adrienne Vella on 9310-4000 or adrienne@asu.org.au