



**Senator the Hon Anne Ruston**

**Minister for Families and Social Services  
Senator for South Australia  
Manager of Government Business in the Senate**

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National Council of Social Service Network  
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Dear Members of the National Council of Social Service Network

Thank you for your letter dated 26 November 2019 about the Equal Remuneration Order (ERO) supplementation.

I note your concerns about the impact of the cessation of the Social and Community Services (SACS) Special Account on 30 June 2021 and the information you have provided on the effect on services to the community. Thank you also for sharing the National COSS Network Briefing Note – Challenges for Australia's community sector: ERO supplementation.

The Special Account is a temporary measure that was intended to support the sector to implement the Fair Work Australia decision to increase wages for low paid workers in the social and community services sector. When it terminates in 2021, it will have been in operation for nine years. Since its commencement, some programs have been redesigned, transitioned to new arrangements or ceased, eliminating the need for SACS supplementation. However, I appreciate there is still more work to do.

The Department of Social Services will continue to engage with funded service providers to understand potential implications of the cessation of ERO supplementation payments. The department is also engaging with other Commonwealth agencies that manage programs that receive the ERO supplementation.

The discussion about ERO and challenges and opportunities related to streamlining processes, data, outputs, efficiencies and sustainability, in Adelaide in early December, was valuable. I encourage your network to continue to provide feedback to the department as this will be important in informing the advice provided to government.

Thank you again for raising this matter.

Yours sincerely

Anne Ruston