

## Capacity to submit

Community Information & Support Victoria (CISVic) is the peak body representing local community information and support services representing 60 community-based, not-for-profit agencies, staffed by over 255 paid staff and in excess of 2336 volunteers.

Our local services assist people experiencing personal and financial difficulties by providing information, referral and support services including Emergency Relief, financial counselling and financial literacy. Our agencies provide free services to an average of 300,000 people every year.

We direct people who need help to local centres for services.

**Helping those most in need** Our main work is with the vulnerable and disadvantaged, including those on welfare payments, single parents, newly arrived, refugees, those with mental health issues, drug and alcohol issues and those experiencing family violence and family breakdown.

**Emergency relief** Many of our agencies can provide emergency relief, both financial and practical, by providing food, food vouchers, travel cards, petrol vouchers, assistance with household bills, rent, pharmaceutical supplies and telephone bills.

**One voice for many** We liaise with all tiers of government and other peak bodies, conduct training and undertake sound, evidence-based research. We are grateful to the State and Federal Governments for their funding support for core and special projects. We also have increasingly strengthening contact and cooperation with a range of peer organisations.

This is a vital interface for not just CISVic and its members but also for the community support sector as a whole, exploring more effective use of resources, skills and funding conduits. This has included partnerships to deliver important training to volunteers and community workers.

We also sit on a number of state & federal government groups including a State Ministerial Advisory Council and Federal Consultative Committee and other relevant peak body advisory groups, including VCOSS (Victorian Council of Social Services), the ultimate state community peak body.

### **CISVic agencies are embedded in their communities**

The CISVic membership service model is placed-based and holistic in working with its communities and clients. The provision of supported services by CISVic member agencies is primarily directed at vulnerable and disadvantaged families and individuals who fall through service gaps. As generalist services providing a range of free, confidential and supported services, we connect vulnerable people and families to vital services and their communities.

Collectively, the CISVic ER Consortium of thirty (30) agencies, is the second largest Federal Government funded provider of ER services in Victoria. In total, forty-two (42) CISVic agencies deliver ER across forty-eight (48) sites from a combination of government, philanthropic and donated funds. Our engagement with community, local service providers and stakeholders is built on a strong local presence, place-based focus to problem identification and solution, and by drawing upon and enhancing local social capital.

## Submission

We make the following submission with a proviso that our response is couched in the context of an Inquiry that is wide ranging and exploratory. The terms of reference cast a very wide net, and in this regard, our response is made in a very generic and aspirational sense. We acknowledge the complexities and challenges in establishing a centralised long service leave (LSL) scheme. We also acknowledge that the sector we are working in, the community services sector, is a broad church with a plethora of organisational types, arrangements and purposes. Nevertheless, we welcome this inquiry because we recognise the high worker churn and transience within our sector.

Our submission provides in-principle support of a centralised LSL scheme. We also submit that any such scheme needs to be sector-led, with extensive consultation and education. We are not in a position to put forward a definitive model that could work for the Victorian sector. However, we do note the Community Sector Scheme in place in the ACT, which is administered by the Long Service Leave Authority. We suggest that this is a good place to start the conversation with the Victorian community sector as to how a centralised scheme could possibly work.

## Community Services Sector – a question of definition

CISVic currently has 64 member agencies operating across 70 sites in Victoria. Core to our members' service provision is community information and support, provided free to local community members. Our members rely heavily on a volunteer workforce, with some agencies operating with no paid staff. About three-quarters of our members employ paid staff, ranging from 1 paid staff for 20 volunteers to 34 for 500 volunteers. CISVic member agencies span many sectors within community services including volunteering, information and support, legal services and community health.

CISVic membership is a broad church, reflecting the rich diversity of the Victorian civil society sector. Identifying the scope of an industry portable long service leave scheme in the context of this broad church can be problematic. However, there are some factors that we believe could be helpful in consideration of the scope for a community sector scheme. These are:

- As a broad definition, the scheme should include not-for-profit (NFP) and non-government organisations (NGO), and exclude local and state government agencies;
- Existence of portable long service leave scheme arrangements within sub-sectors or state-wide, multi-site employers;
- Extent to which an organisation's primary purpose is to provide a community service as opposed to another type of service (for example, an aged care service where medical care is provided as a major service);
- Whether inclusion in the scheme depends on the location of the service or the employer's registered business address (such as interstate companies).

## Benefits of a portable long service leave scheme

We acknowledge the enormous challenges in establishing a centralised long service scheme. We also acknowledge that there are genuinely mixed reaction from the sector about the benefits and costs to such a scheme. However, on balance, we believe that a centralised scheme will benefit employees in the sector. This is because the workforce is:

- Predominantly female, with high proportions of part-time or casualised positions;
- Historically a high-churn employment environment, dominated by three-year programmatic funding cycles;
- Operates on thin profit margins and vulnerable to tight funding and policy environments.

These factors negatively impact on the sector's capacity to recruit and retain high quality, dedicated staff. This environment of precarious employment further entrenches gender inequality as part-time and casualised employment is a double-edged sword for women seeking flexible work but who are also penalised with short-term employment.

A portable long service leave scheme ensures that the sector's workforce achieves parity with its public sector counterpart, and workers are able to access long service leave entitlements having maintained a commitment to the sector. Additional benefits could include:

- Workers retain their entitlements even if they have a break, depending on what eligibility conditions are put in place (we note that eligibility in the Building and Construction Industry and the ACT Community Sector is a four (4) year break);
- Workers in organisations that face insolvency or closure of programs due to funding cuts prior to maturity of their leave entitlements do not lose out on their entitlements altogether;
- Pooling small amounts of entitlements from a large number of employers builds investment capacity for a centralised scheme.

## Financial impact on community organisations

Community sector employers may rightly be concerned with the financial impact a centralised scheme may have on organisations. Currently, organisations enjoy some advantages in not having to pay out accrued long service leave when an employee exits their employment. Thus organisations with long service leave reserves may use these to re-invest in the organisation and fund staffing and professional costs. We also acknowledge that a centralised scheme comes with lower levels of administrative burden and costs, which is beneficial for organisations with very small number of employees, and which are predominantly governed and operated by volunteer workforce.

On balance, we believe that the financial impact on organisations can be minimised if a scheme is introduced that addresses these concerns by exploring long-term benefits against short term costs. A well designed scheme that addresses the financial and organisational barriers to portability, and which acknowledges the intangible benefits to both the organisation and the sector is a good starting place.