



4 July 2025

Michael Lye
Secretary
Department of Social Services
71 Athllon Dr, Greenway ACT 2900

Via: sepolicy@dss.gov.au

Dear Michael,

RE: NEXT STEPS IN SUPPORTED EMPLOYMENT: CONSULTATION ON THE WAY FORWARD

The Victorian Trades Hall Council (VTHC) welcomes the opportunity to make a submission to the Supported Employment consultation.

VTHC was founded in 1856 and is the peak body for unions in Victoria. VTHC represents over 40 unions and more than 500,000 workers in the state. These workers are members of unions that reach into every industry across Victoria, both in the public and private sectors.

Since winning the Eight Hour Day in 1856, VTHC has had a long history of fighting for and defending the rights of workers in Victoria. Disability rights are important to working Victorians, not just because workers with disabilities are often denied meaningful employment, but also workers with disabilities often face job uncertainty, insecure hours and low pay.

Workers with disabilities continue to face a myriad of barriers, including physically inappropriate workplaces, discriminatory wage programs such as the Supported Wage System, and deficient training leading to barriers to entry into some industries and professions.

Recommendation 1: The Federal Government should abandon the Supported Wage System.

VTHC opposes the Supported Wage System and believes it should be abolished. VTHC actively campaigns against wage discrimination in all industries and for workers of all ages, including junior and apprenticeship wages which see young Australians lose a whopping \$3.5 billion dollars a year.¹

Workers and jobseekers with disability want to have their skills recognised in open employment. Workers with a disability have skills of value to the open market, yet

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¹ [The McKell Institute - The Problem with Junior Pay Rates, Explained.](#)

they are continually funnelled into underpaid work that does not recognise their skills. To allow workers' wages to be determined, not by what is their legal minimum entitlement, but a 'productivity assessment,' as the Supported Employment Services Award does, creates systematic issues. It prevents workers with a disability from finding and keeping jobs that are secure, pay well and reflect their qualifications. Every worker deserves to do work that is meaningful, paid their legal entitlement, and should not be diminished to a 'productivity assessment.'

VTHC supports the Royal Commission recommendation to lift wages to 100% of the minimum wage², however, workers cannot wait till 2034 to receive their legal entitlements. These changes should be enacted in the near future to ensure financial security and independence for workers with disabilities.

Union Industrial Officers, who have represented workers on Supported Wages, have reported to VTHC that system is ripe for exploitation. Under the Award, employers are legally entitled to pay 'Grade A' workers \$7.10 an hour (or \$269.70 a week).³ This is 71% less than the national minimum wage of \$24.95 (or \$948 a week) as of 1st July 2025.⁴ According to the Pay and Conditions Tool, accessible through the Fair Work Ombudsman website, if a worker is hired under Grade A, and is evaluated as having a 12.5% 'assessed productive capacity' then the employer is entitled to pay the worker as little as \$3.12 an hour (or \$11.56 a week).⁵ These systems, including the calculator are extremely arbitrary, and as historical examples show, are not a meaningful assessment of skill level, and are allowing for the legal manipulation of workers with a disability.

In Melbourne, the median weekly rent is \$560, or \$455 in Regional Victoria.⁶ It would take a worker, who is hired on the Grade A wage, and is at 100% 'assessed productive capacity' over two weeks of income to afford one week of rent in Melbourne, let alone other costs such as bills and groceries. 45% of workers with a disability live below the poverty line, compared to 27% of workers without a disability.⁷ *The Supported Employment Services Award* only widens this gap. These wages rob workers of their independence and financial security. VTHC encourages the Federal Government to review its obligations under the *Fair Work Act 2009 (Cth)* to ensure the Government is not partaking in schemes which may fail to meet a workers safety net of minimum entitlements.

Recommendation 2: The Federal Government should consult with relevant unions to ensure the best outcomes for workers with a disability.

Victorian unions are dedicated to supporting workers with a disability and ensuring they have strong and effective union representation in the workplace and are accessing their rights to

² [Next Steps in Supported Employment: Consultation on the Way Forward](#) pg. 14

³ [Fair Work Ombudsman - Supported Employment Services Award 2020: Minimum Rates](#)

⁴ [Fair Work Ombudsman - Minimum Wages Increase 3.5% from 1 July 2025](#)

⁵ [Fair Work Pay Calculator](#)

⁶ [Department of Families, Fairness and Housing - Rental Report December 2024](#)

⁷ [Australian Council of Trade Unions - Workers With A Disability 2021](#)

equality in employment. Programs such as the Disability Employment and Information Program (Advocacy program) mentioned in the consultation paper, should be run in collaboration with unions, to ensure workers with a disability are receiving advocacy support and assistance to solve employment issues.

Unions have the ability to negotiate with employers to create and enhance policies that address the needs of workers with a disability. Through collective bargaining, unions have been able to address and reduce the pay gaps affecting workers with a disability. Victorian unions have also in many cases successfully negotiated for necessary modifications, and flexible working arrangements in workplace enterprise bargaining agreements to benefit workers with a disability.

Victorian unions are committed to furthering disability equality through the improvement of awards and agreements, and by ensuring awards and agreements do not, directly or indirectly, create or entrench barriers to employment for workers with disability. Consultation with relevant unions is key to ensuring a fairer wage system and outcomes for all workers.

Workers with a disability face several structural barriers that impede their ability to equitably enter the open job market. This is nothing short of discrimination. Equal opportunity means people with disabilities are not worse off because of their impairments.

The Federal Government should take action immediately to address these issues. From ensuring workers with a disability are paid a living wage as an urgent priority, to confirming genuine engagement with trade unions.

VTHC will continue to advocate against discriminatory and arbitrary wage assessment tools being applied to workers in supported wage settings and to ensure that all workers have the right to meaningful and secure employment with legal wages. The application of these reforms will only improve the lives of workers with disabilities.

If you have any questions or would like further information, please do not hesitate to contact Tiarne Crowther, Research and Politics Lead at tcrowther@vthc.org.au.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Danae Bosler', with a stylized flourish at the end.

Danae Bosler
Assistant Secretary
Victorian Trades Hall Council