



**Australian Government**

**Department of Education, Employment  
and Workplace Relations**

## **OVERVIEW OF THE SUPPORTED WAGE SYSTEM**

*July 2011 Edition*

## ***OVERVIEW - HOW TO USE THE SUPPORTED WAGE SYSTEM (SWS)***

### **Eligibility**

Applications for SWS require that:

- 1) the job under consideration is covered by an industrial instrument or legislative provision which permits employment for pro-rata wages under the SWS; and
- 2) the person is an Australian citizen or is a person resident in Australia whose continued presence is not subject to a time limit imposed by Commonwealth law (e.g.: a temporary visa); and
- 3) the person is at least 15 years of age; and
- 4) the person has no outstanding worker's compensation claim against the current employer; and
- 5) as determined by Centrelink, the person meets the impairment criteria for receipt of the Disability Support Pension (DSP). Further information can be found by visiting the Centrelink website: [www.centrelink.gov.au](http://www.centrelink.gov.au), and
- 6) the job being offered is for a minimum of 8 hours per week.

### **Eligibility and Funding Procedures**

These procedures are described as if a Disability Employment Services (DES) provider is involved, but they generally apply also where it is the employer who is applying for and arranging the supported wage system employment. (A summary of the key steps in the wage assessment process are described later in this section).

The procedures assume the employee is currently receiving the DSP. However, if the person is not in receipt of DSP, they need to get Centrelink to arrange to have a SWS Eligibility Test. Variations to the process for people who do not receive the DSP are at the end of this section.

### **Contacting the Supported Wage Management Unit (SWMU)**

The employer or employment service provider can contact the SWMU by phone for general information on SWS. The phone number is 1800 065 123.

### **Making the Application –Employment Service Providers Role**

The on-line SWS application form can be found on the JobAccess website ([www.jobaccess.gov.au](http://www.jobaccess.gov.au)). The employment service provider completes and submits the application form on-line. If there is no employment service provider, the employer completes and submits the application.

### **The SWMU Processes the Application**

The SWMU:

- confirms the employee meets the impairment criteria (SWMU may contact Centrelink to confirm this);
- checks the other eligibility criteria have been met; and
- records the application as being approved.

### **Advice of Approval**

The SWMU sends advice of an approval to the employment service provider nominated to receive correspondence in relation to the employee (usually the DES). Once this approval has been given, the employee can commence the SWS trial period.

### **An Assessment is arranged**

- 1) The SWMU selects a SWS assessor to undertake the wage assessment and assigns a Work Order;
- 2) The assessor accepts the work.

### **Work Begins on a Trial Basis**

After the application is approved, the employer and employee and if relevant their nominee negotiate a trial wage. The trial wage must be at least the Federal minimum SWS weekly wage, but should ideally reflect the expected productivity levels for the trial period. The SWS trial period can only start once the SWS application has been approved by the SWMU and should be for no longer than 12 weeks.

Alternatively, the employee may be assessed and begin employment almost immediately, without the SWS Trial Period if it is agreed by the workplace parties that a trial period is not required.

### **Advising Centrelink of Change in Financial Circumstances of a Person in Receipt of DSP**

Centrelink needs advice about the SWS employee's wage during the trial period, and any subsequent wage adjustments. The employment service provider may assist the employee to advise Centrelink. Centrelink can be contacted by telephone (13 27 17), in writing or by visiting a Customer Service Centre. It is important to advise Centrelink within 14 days in case the employee's earnings affect the rate of DSP. More information can be found on the Centrelink website: [www.centrelink.gov.au](http://www.centrelink.gov.au).

### **The Lead up to the Assessment**

The assessor negotiates a suitable date and or time with the employee, employer and employment service provider for the assessment to take place.

**After the Assessment**

After the assessment is agreed upon and signed, and if required under the industrial instrument the employer sends the signed wage agreement form to the relevant industrial authority (Industrial Registrar or Fair Work Australia). The assessor may offer to do this on behalf of the employer.

If a union representative was not party to the wage agreement, the industrial authority sends a copy of the Wage Agreement to the relevant union. If the union has not notified an objection to the Registrar within 10 working days, the Registrar then advises the employer and the SWMU that the wage agreement has been successfully filed.

The assessor always promptly provides a copy of the Wage Assessment Agreement to the workplace parties (e.g. the employee, employer, the union representative if party to the agreement).

**The Date for Beginning to Pay the Assessed Wage**

The date when the employer can legally pay the agreed pro-rata award wage is the date when the wage agreement is signed. The employer should pay the agreed wage rate from this date and does not have to wait until notification has been received from the industrial authority that the wage agreement has been filed.

**Review Date Agreed**

**The employee, assessor and employer agree to a review date within 12 months from the operative date of the wage agreement.**

An earlier review date may also be negotiated. Should the parties subsequently determine that this earlier review is unnecessary, the original agreement will remain valid for 12 months, by which time a review will take place.

**Change in Financial Circumstances**

The SWMU will advise Centrelink of the assessed wage, but the employee still has a responsibility to advise Centrelink of any change in financial circumstances within 14 days of the change occurring. (There could be a delay in the advice from the SWMU as this advice is not sent until the assessor provides a copy of the wage agreement to the SWMU).

**Reviews of Assessments**

A review may be held before the scheduled date if at least one of the parties wishes this to occur.

Ten weeks prior to the review falling due, the SWMU will notify the SWS provider of the review due date.

It is the responsibility of the employer to ensure that the industrial authority is advised of the outcome of a review, where the industrial instrument requires. The employer may request the assessor to do this on their behalf. The wage agreement must be

lodged with the relevant industrial authority, if required. The assessor advises the SWMU of the outcome of the review when they submit their assessment report on the IT system.

### **Variation in Procedures for People who are NOT Receiving the DSP**

A person not receiving the DSP may choose:

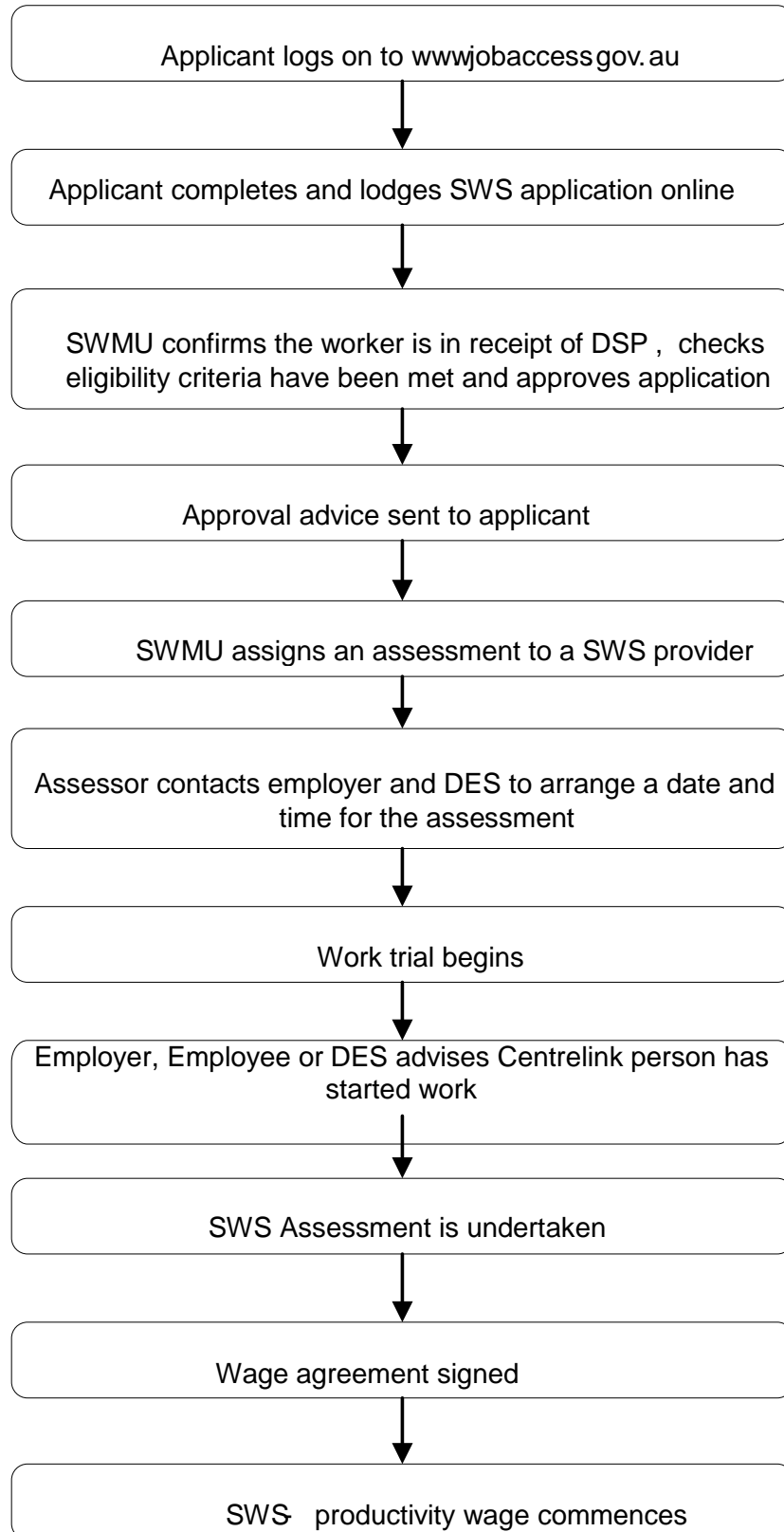
- to claim DSP; or
- not to claim a payment, but only to test whether they meet the medical impairment criteria for DSP. This is referred to as a SWS Eligibility Test.

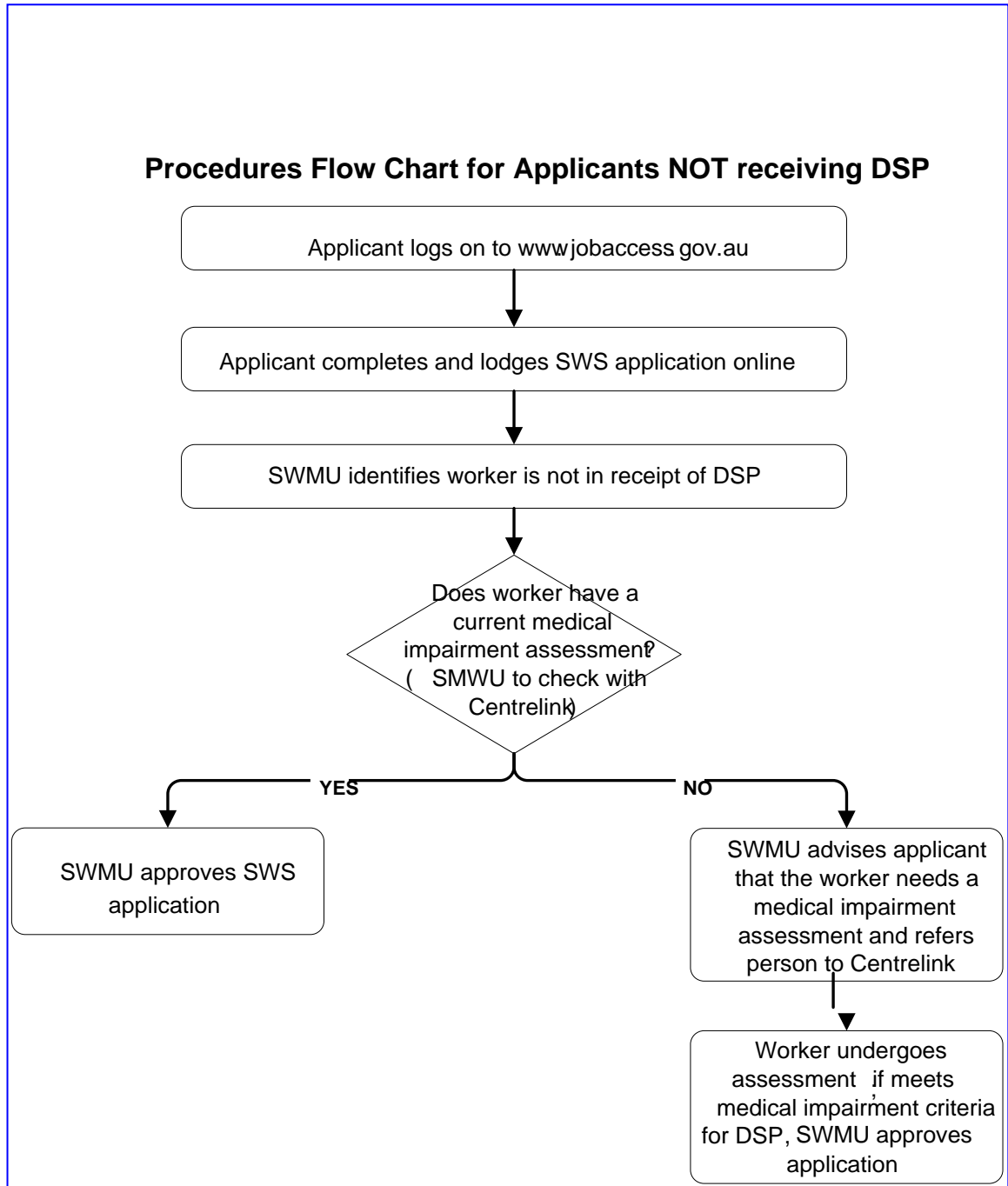
If the applicant chooses to apply for DSP, a Pension claim form (Centrelink SA317(b).0701) and a Treating Doctors Report can be downloaded from the Centrelink website ([www.centrelink.gov.au](http://www.centrelink.gov.au)), or obtained by phoning the Centrelink Contact Centre (on 132717), or from a Centrelink Customer Service Centre. It is advisable that the applicant or their nominee obtains information from Centrelink on the claim process.

The applicant completes the claim for DSP and sends it to the local Centrelink office. Centrelink will contact the applicant about the claim.

If the person meets the DSP impairment criteria the applicant, nominee or employment service provider informs the SWMU of this by phone. The SWMU confirms the information with Centrelink. The SWMU then processes the SWS application.

If the outcome of the test indicates eligibility for participation in the SWS, the SWMU then processes the application as previously discussed.

**Procedures Flow Chart for Applicants receiving DSP**



## Summary of SWS Application Process - Eight key steps

- 1) Access the JobAccess website at [www.jobaccess.gov.au](http://www.jobaccess.gov.au) or phone the SWMU (free call 1800 065 123) for information.
- 2) Complete and lodge the application form on the JobAccess website.
- 3) The SWMU checks the applicant's eligibility.
- 4) The SWMU approves the application on-line and an advice is automatically sent to the applicant.
- 5) The employee commences the trial period.
- 6) The SWMU assigns the assessment to a SWS assessor
- 7) The wage assessment is conducted and agreed.
  - The employer pays the assessed wage rate and the wage assessment agreement is sent to the relevant industrial authority if required.
  - If a union representative was not party to the wage agreement, the industrial authority may send a copy of the Wage Agreement to the relevant union.
  - If the union does not oppose the assessment, the industrial authority advises the employer and the SWMU of successful filing.
  - If the Fair Work Australia is the relevant industrial authority, they file the wage agreement and advise the SWMU of successful filing.
- 8) The productivity is reviewed at least annually thereafter. The SWMU organises the reviews.