

Resolution of Council

25 November 2024

Item 16.10

Abolishing Subminimum Wages for Disabled Workers

Moved by Councillor Thompson, seconded by Councillor Worling –

It is resolved that:

- (A) Council note that:
- (i) disabled workers are currently paid as little as \$3.01 an hour for their work through the supported wage system, a carve-out in national employment law that allows companies to pay workers up to \$24.10 less than the national minimum wage;
 - (ii) this practice of paying disabled workers a subminimum wage is unacceptable and does not help disabled people find work;
 - (iii) the Royal Commission into Violence, Abuse, Neglect and Exploitation of People with Disability recommended that the Federal Government aim to reduce workplace segregation and achieve wage parity for people with disability by 2034;
 - (iv) community support of abolishing the practice of paying disabled workers a subminimum wage is growing rapidly, including internationally in the USA where 19 states and the District of Columbia have already eliminated the practice; and
 - (v) on 11 December 2023, Council resolved to request that:
 - (a) the Chief Executive Officer as a priority review relevant policies to ensure City services don't procure from, create, fund or participate, or award new grants for, organisations that participate in segregated services or employment, or engage in restrictive practices; and

- (b) the Lord Mayor to write to the Federal Minister for the National Disability Insurance Scheme and the NSW Minister for Disability Inclusion to advocate for the Australian and NSW Governments to adopt the recommendations of the Royal Commission;

(B) Council further note:

- (i) the City has in effect implemented a ban on the City supporting Australian Disability Enterprises and segregated employment through the following actions the City and the Lord Mayor have taken in response to the 11 December 2023 Council Resolution:
 - (a) reviewed successful grant recipients since 2021/22 to confirm no grants were awarded to organisations that might be engaging in segregated services, employment or restrictive practices;
 - (a) reviewed the Grants and Sponsorship Policy and Guidelines to ensure they continue to meet best practice in grants management;
 - (b) reviewed suppliers listed in its internal Guidelines for producing and procuring inclusive and accessible communication materials to ensure that no inappropriate organisations are included; and
 - (c) audited web pages and list of support services for older people and/or people with disability to ensure there are no references to Australian Disability Enterprises;
- (ii) on 24 January and 9 April 2024 respectively, the Minister for Social Services and the NSW Minister for Disability Inclusion responded to the Lord Mayor's letter advising the Australian and NSW Governments were still considering their responses to the Disability Royal Commission; and
- (iii) the [Australian Government Response to the Disability Royal Commission](#) (July 2024) indicated that it needs to consult with a broad range of stakeholders further before committing to paying employees with disability the full minimum wage;

(C) Council endorse the community campaign for disabled workers to be paid a minimum wage through abolishing the supported wage system, ensuring companies and Australian Disability Enterprises pay disabled workers the same as everyone else;

(D) Council agree to:

- (i) support, in principle, a ban on providing grants, funding, and other forms of support, including non-financial support, to Australian Disability Enterprises or companies that pay their workers less than the national minimum wage; and
- (ii) sign on in support of the open letter demanding that subminimum wages for disabled workers be abolished, joining over 37 other national organisations and 223 state and local organisations;

- (E) the Lord Mayor be requested to write to the Industrial Relations Minister, on behalf of the City of Sydney, requesting that the Federal Government urgently implement the recommendations tabled by the Royal Commission into Violence, Abuse, Neglect and Exploitation of People with Disability and abolish the practice of allowing Australian Disability Enterprises and other companies to pay disabled workers a subminimum wage; and
- (F) the Chief Executive Officer be requested to provide advice to Council about other potential amendments to other policies and processes to ensure the City of Sydney is not supporting organisations or groups that undertake the practice of paying disabled workers a subminimum wage.

Carried unanimously.

X113760