

Open Statement

1. The ASU and CLA have reached an agreement to resolve proceedings commenced by the ASU alleging that CLA contravened the *Fair Work Act 2009* (Cth) by underpaying 47 current and former employees (the **Affected Employees**) in contravention of the Social, Community, Home Care and Disability Services Industry Award 2010 (the **Award**) for a period going back over 6 years. The settlement involves payments to be made to all of the 47 Affected Employees.
2. CLA admits that it underpaid the Affected Employees the underpaid amounts. CLA acknowledges that the underpayments would have had an adverse impact on the Affected Employees.
3. CLA unconditionally apologises to the Affected Employees for the underpayments and the impact it has had on them. In addition to paying the underpaid amounts, CLA has agreed to pay an amount in lieu of a penalty to the ASU in resolution of the proceedings. The total settlement exceeds six figures.
4. The ASU and CLA acknowledge that the underpayments arose partly from a lack of industrial relations experience on the part of CLA. However, CLA accepts that the concerns of the Affected Employees should have been addressed at an earlier stage. CLA values the work that its employees do and the role they play in supporting people with disabilities in the lower Great Southern region.
5. CLA cooperated with the ASU to resolve the proceedings as quickly as possible. This includes CLA engaging solicitors and consultants to calculate the Underpaid Amounts. CLA has also introduced changes to its governance and its organisational structure to ensure that the underpayments are not repeated. This has included independent management and governance reviews, the recruitment of a skills-based board, the recruitment of a new CEO, and the restructuring of organisational corporate functions.
6. The Affected Employees have benefited from being members of the ASU. The ASU took the lead role in ensuring that the underpayments were resolved.
7. The ASU and CLA have commenced bargaining for an enterprise agreement that will cover all employees who would otherwise be covered by the Award. The enterprise agreement will be for the benefit of both employees and CLA and employees will be better off under the agreement when compared to the Award.
8. The ASU and CLA are committed to cooperatively resolving all workplace disputes moving forward.