

The Fight to Save CRCs—It's Over to You...

a little CRC...

The coordinated case made by CRCs across WA to prevent a 40% budget cut has failed. Postcards and petitions have not been enough. Our Minister and Premier continue to defend the reduced budget allocation and have now asked the Department of Primary Industries and Regional Development to produce a budget implementation report based on the 40% cut. Cuts will start mid-2019.

It is time for the Government to hear directly from constituents in regional areas who benefit from CRC services and want to see them continue. Contact:

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What's Wrong With a Reduction?

Minister MacTiernan's favourite line has been that the Government is rolling back unsustainable funding increases made under the previous government. Unfortunately rolling back the funding five or six years has some problems:

Around 2015/16, based on professional Industrial Relations advice, over half of all CRCs (including Northcliffe) moved staff onto Award Wages. This was recommended by a Jobs Australia report and by the CRC peak body, Linkwest. Prior to this most CRC staff were employed under Minimum Conditions legislation. The 2015/16 move to Awards caused significant cost increases in CRC employment budgets, which are now a permanent part of our cost base. The Government now intends to return us to funding era where staff were employed under Minimum Conditions. So... then... cut wages? If only it were so simple!

If the funding cuts are the rock, Award conditions are the hard place. Professional advice has been sought by NCRC on whether there is legal means for us to exit the Award system, or to downgrade existing positions. The answer has been 'No'. The CRCs will be using our peak body Linkwest, to further explore this issue but expectations are low.

As a result of this higher cost base, rather than roll back the clock to the service levels of 5 or 10 years ago, many CRCs will need to close their doors. Volunteers serving on CRC committees may decide that the legal jeopardy of returning staff to pre-Award conditions is too high, even where staff are willing to accept this change. CRCs which have been steadily building value for their communities for over twenty years, with the help of volunteers, paid staff, members and their community, will close their doors.

A 20% or 100% Cut?

The Department have recommended that CRCs produce, for their own benefit, Risk Management Plans covering budget cut scenarios such as : 40% cut, 20% cut and 100% cut.

Why a 20%/100% funding cut scenario?

This is the scenario where the government cuts funding altogether for around 20 CRCs, allowing the funding cut for the remaining 85 CRCs to be lessened. The overall funding cut across WA would still be 40%. The 20 CRCs chosen to lose 100% funding would need to immediately close.

This 20%/100% scenario conjures the image of CRCs being 'picked off' and has the Northcliffe CRC particularly intent on making sure we can produce excellent results under our current contract with the Department. Now is not a good time to drop the ball. This is making it very hard to engage in lobbying, analysis and planning around the funding cuts. We really need to attend to our day to day business.

The Government has not yet made this part of the decision. At the moment the 20%/100% cut scenario seems just as likely as a 40% cut spread across all CRCs.

What Does a 40% Cut Look Like?

In a rough analysis of the 40% budget cut, NCRC staffing could be reduced to a single trainee and an 18 hours per week Manager. There may be other ways to manage things but this is one possible outcome. The scenario has some big issues:

- Workload: Even if the CRC were to significantly reduce opening hours and day to day assistance provided to customers, low staff levels may make it impossible to meet our contractual requirements (running activities, initiatives and programs, maintaining levels of Governance, reporting on outcomes, attending training), as well as keeping up the book keeping and business processes of the NCRC
- Our rough analysis assumes that the CRC won't lose any revenue from customers. With significantly reduced service levels and opening hours, this is too optimistic.
- How do we ensure appropriate trainee supervision...
- How do we cover staff leave? Employment of casual staff is very expensive under the Award system.
- High risk that a given (future) trainee is not sufficiently capable to operate solo and serve NCRC customers
- High risk of loss of operational knowledge to staff turnover

Without having taken the exercise too far, at this stage, the guess is that a 40% funding cut scenario means 'close down the Northcliffe CRC'. Tough to contemplate...

The above represents the opinions and analysis of the NCRC Manager, Graham Evans, and is not an official document of the NCRC

Monday, Tuesday, Wednesday 10 am to 5 pm • Thursday 10 am to 6 pm • Friday 9 am to 6 pm



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We are a not-for-profit organisation supported by the Northcliffe Community and DPIRD:



Department of Primary Industries and Regional Development