

5 September 2025

Deputy President O'Neill
Fair Work Commission
By email: awards@fwc.gov.au

Dear Deputy President O'Neill,

RE: Provisional decision from Fair Work Commission (FWC) expert panel on gender undervaluation with respect to the Social, Community, Home Care and Disability Services (SCHADS) Industry Award 2010

1. ACT Shelter is the peak body for housing justice in the ACT. We are an independent, not-for-profit organisation that provides advocacy and strategic advice on systemic housing issues in the ACT, with a focus on factors affecting the ability of people on low, moderate or no incomes to have a home that is safe, secure, appropriate, and affordable.
2. As an independent, member-based organisation, ACT Shelter works closely with government, the community housing sector, homelessness services, and civil society to ensure that housing policy and programs are equitable, effective, and targeted to need. Our membership is diverse, comprising organisations and individuals with an interest in housing justice in the ACT, and including community sector organisations delivering essential services to people experiencing, or at risk of, homelessness, housing stress and housing insecurity. This includes specialist homelessness services, financial counselling services, legal assistance services, disability support services, community housing providers, mental health services, youth and family services, and alcohol and other drug services.
3. As the ACT's peak body for housing justice, many of our organisational members are covered by the provisions of Schedules B and C of the SCHADS Award, delivering social and community services and crisis accommodation that is vital to supporting those experiencing housing injustice. Accordingly, we value the opportunity to contribute to the current review of the SCHADS Award. We note that, in April 2025, the Commission issued a provisional decision, finding that employees covered under Schedules B and C – social and community services, crisis accommodation, and home care/disability support – have been subject to gender-based undervaluation. The decision also acknowledged significant structural issues, particularly the complexity and ambiguity of the current classification schedules, which contribute to employee misclassification.
4. In place of the current SCHADS classification framework, the Commission proposed a simplified, unified classification structure based on the 'Caring Skills' benchmark rate adopted

in the Aged Care Award. This proposed framework places emphasis on formal qualifications as a key determinant of an employee's classification level. Additionally, the Panel recommended that the existing Equal Remuneration Order (ERO) be revoked upon implementation of the new structure.

5. ACT Shelter supports the Commission's conclusion that social and community service employees have been subject to gender-based undervaluation. We strongly support measures to improve wage equity and ensure fair and appropriate remuneration for the predominantly female community services workforce. However, we are concerned that the provisional classification structure is not consistent with these objectives. While we commend the Commission's intent to address longstanding gender-based undervaluation and simplify classifications, we believe the provisional classification structure will leave some workers worse off. The proposed framework does not fully reflect the unique skills, contexts, and complexities of the housing and homelessness sector work, nor the value of lived and industry experience. Given the significant recruitment and retention challenges that exist across the community services sector, such changes also risk eroding the long-term sustainability of the workforce.

The housing and homelessness workforce

6. The housing and homelessness workforce is diverse, highly skilled, and performs complex and demanding roles. Workers deliver a wide range of services, including case management and crisis intervention; emergency and transitional accommodation; tenancy and property management; financial counselling and legal assistance; advocacy and support to access social and affordable housing; and specialist services for people experiencing domestic and family violence, trauma, or mental health issues. Staff must typically operate according to trauma-informed practice, be experienced in crisis de-escalation, and often support clients with multiple and interconnected challenges such as mental ill health, drug and alcohol use, family violence, and poverty. Many workers also bring lived experience, cultural knowledge, and community ties that are crucial to effective service delivery, especially in supporting Aboriginal and Torres Strait Islander peoples.
7. The housing and homelessness service sectors already face challenges in attracting and retaining qualified staff due to the demanding nature of the work and existing wage pressures. In the ACT, recruitment and retention challenges are compounded by competition with the public sector, where pay and conditions are more generous. High turnover disrupts continuity of care, reduces institutional knowledge, and imposes additional recruitment costs on service providers. For a sector reliant on skilled, empathetic and experienced workers, the erosion of pay rates will likely intensify current workforce challenges and risk undermining service quality and sustainability.

Concerns with the provisional classification structure

8. While ACT Shelter supports the underlying intent of the review to simplify classification and improve pay equity, we have significant concerns about the classification structure proposed by the Commission in its provisional decision.

Benchmarking against Aged Care

9. The classification model proposed by the Commission is based on the 'Caring Skills' benchmark used in the Aged Care Award. The blanket application of the Caring Skills benchmark, however, does not reflect the breadth, diversity, or complexity of work performed in the community services sector. Aged care classifications are designed around a relatively narrow set of personal care and support functions, whereas community services roles – particularly those relating to housing and homelessness – require a wide range of professional skills, competencies, and experience.
10. The Commission's objective of simplifying the SCHADS Award is legitimate, however any new structure needs to accommodate the breadth and diversity of roles and responsibilities across the community sector. For example, workers in the housing and homelessness sectors are often expected to apply crisis intervention techniques, case management skills, advocacy, trauma-informed practice, and cross-agency coordination to meet the needs of people with multiple and interconnected challenges such as domestic and family violence, mental health issues, and drug and alcohol use. Applying the Aged Care benchmark does not adequately reflect the diversity of roles, the professional and relational expertise required, and the complexity of work performed across housing, homelessness, and broader community sector services.

Reliance on formal qualifications

11. A fit-for-purpose classification framework must reflect the diversity and complexity of community sector roles, recognise multiple pathways of expertise, and value the full range of skills required in housing and homelessness services. The Aged Care Award's 'Caring Skills' model, however, relies heavily on formal qualifications as the main determinant of classification. This approach is ill-suited to the broader community services workforce, where effective service delivery often depends on a mix of qualifications, on-the-job training, cultural expertise, lived experience, and accumulated professional practice. Much of this work involves specialist knowledge, sound decision-making under pressure, and complex judgment that cannot be captured by qualifications alone.
12. Unlike aged care, which is more narrowly defined around personal care and support, housing and homelessness services involve a wide scope of professional, relational, and systems-focused work. Roles require workers to provide crisis intervention, manage risk, coordinate across multiple agencies, and respond to overlapping client needs. Many frontline staff rely as much on lived experience, cultural competency, and trauma-informed practice as on accredited training. These multidimensional skills do not map neatly to a rigid, qualification-based structure.
13. Further, some specialised roles – such as tenancy managers or asset managers in the housing space – lack established or widely recognised qualifications. Most existing qualifications for housing asset managers focus on commercial rather than residential property, and expertise in these roles is typically developed through practical experience and sector-specific training. A more flexible approach is therefore required to ensure experienced workers, whose skills, practical knowledge, and expertise are invaluable, are not excluded from career opportunities under the new classification structure.

14. Over-reliance on qualifications also risks excluding or devaluing parts of the workforce who contribute essential expertise but may not hold tertiary credentials – such as First Nations workers, bicultural workers, and those with lived experience of homelessness or disadvantage. These workers bring unique insights and trust-building capacities vital to service effectiveness. Embedding a qualification-centric model into the Award risks entrenching inequities, holding staff back from progression, and further constraining workforce supply at a time of staff shortages.

Risk of reduced pay

15. ACT Shelter is concerned that the proposed changes would result in a reduction of pay for some employees and an overall downward trend in pay for the sector. This would entrench the undervaluation of community services work and leave workers financially worse off.
16. The Commission's own Discussion Paper (sections 5.1.1 and 5.2.1) highlights specific classification levels where new rates would be lower than current rates, including workers currently employed under Levels 3 and 4 of the SCHADS Award. We note that, under Option 1 proposed by the Commission, crisis accommodation employees across all levels would see up to a 3.6% reduction in pay. Under Option 2, crisis employees' rates would fluctuate significantly, with some levels seeing higher wages, while others would drop by almost \$200 a week. Such outcomes are at odd with the underlying objectives of the Commission's review and would ultimately entrench – rather than correct – gender undervaluation within the sector.

Risks of lower future pay and two-tier system

17. We note that the Commission has proposed 'grandfathering' arrangements that would ensure existing employees do not have their pay reduced in transitioning to the provisional classification framework. We agree that no existing worker should be worse off under any new Award structure. However, a provisional arrangement that permits a reduction in pay across many classification levels for new and future employees risks creating a two-tier workforce, where different employees receive different levels of pay for the same work. This approach would also act as an effective pay freeze for current employees and restrict their employment mobility. The combined effect of these impacts would be to further embed gender undervaluation and pay inequity.

Loss of automatic pay-point progression

18. Eliminating pay-point progression within classification levels may have the effect of limiting career pathways, slowing wages growth, and discouraging retention of experienced staff. This could worsen already high turnover rates and limit organisational capacity to build and retain expertise.

Funding and implementation

19. A new classification structure, including potential reclassification of workers and associated costs, will invariably have significant operational, administrative, and financial impacts on the social services sector. Such changes would unfold in a context where community services have been underfunded and inadequately indexed for decades, despite rising demand.

20. The Commission has proposed that the Equal Remuneration Order (ERO) should be revoked upon implementation of the proposed new classification structure, however there is limited information on what this would mean in practice. The pay rates established by the ERO have been embedded in government funding since 2012, and it is important existing ERO pay rates are protected and serve as a baseline for determining any new pay rates. There is a risk that revoking the ERO, without adequate safeguards, will lead to a reduction in pay rates and ultimately exacerbate and solidify gender inequity and undervaluation in the social services sector.
21. It is also imperative that the Commonwealth and state and territory governments guarantee funding for the community sector to be able to afford any new wage rates and support organisations to transition to the new Award classification structure. As the primary purchasers of services, governments must ensure providers can implement new Award structures and reverse pay inequities without financial detriment.

Recommendations

22. ACT Shelter recommends that the Commission:

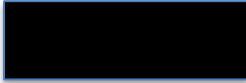
1. *Ensure the new classification structure for the SCHADS Award corrects – rather than exacerbates – gender undervaluation, ensuring any new arrangements safeguard fair pay, support career pathways, and ensure workforce sustainability.*
2. *Develop a classification structure that properly reflects the complexity and diversity of roles in the community services sector, including housing and homelessness roles, rather than relying on aged care benchmarks.*
3. *Guarantee no worker is made worse off by preserving or improving all current pay rates, including those established by the ERO.*
4. *Avoid two-tier outcomes by ensuring that new entrants are not paid less for the same work.*
5. *Secure government funding guarantees to enable community organisations to implement new wage structures without reducing service capacity.*
6. *Provide an adequate and flexible implementation timeframe that recognises the operational pressures facing community services.*

Conclusion

23. ACT Shelter welcomes the review of the SCHADS Award and the Commission's intent to address longstanding gender-based undervaluation and simplify classifications. While we support these aims, we are concerned that the provisional model proposed does not reflect the unique skills, diverse contexts, and complexities of community sector work, nor the value of lived and industry experience. The provisional classification structure proposed by the Commission risks reducing pay for some workers, creating and entrenching inequities, and

undermining workforce stability and sustainability. We urge the Commission to proceed cautiously and collaboratively, ensuring that any new classification and wage structure genuinely reflects the skills and contributions of community services workers and advances the goal of pay equity.

Yours sincerely



Corinne Dobson

CEO, ACT Shelter