FAIR WORK COMMISSION

Matter No.: AM2024/21

Re: Gender-based undervaluation – priority awards review

Submission from the Working with Women Alliance

About us

- 1. The Working with Women Alliance (WwWA) is one of five National Women's Alliances that play a key role in ensuring women and gender diverse voices are central in the policy development process by providing evidence-based, intersectional gender equality advice and civil society expertise to government on areas of most impact and influence to Working for Women: A Strategy for Gender Equality. WwWA combines two portfolios National Women's Equality and National Women's Safety to bridge the critical areas of gender-based violence prevention and the advancement of women's economic equality and leadership for greater impact.
- 2. Our organisation represents the women employed under the Social, Community, Home Care and Disability Services (SCHADS) award, but also the women most likely to be served and supported by the organisations where these employees work, such as domestic and family violence response services.
- 3. Our organisation made a joint submission in collaboration with <u>Women with</u>
 <u>Disabilities Australia</u> (WWDA) to the previous Fair Work Commission consultation on the SCHADS provisional classification, which can be viewed at <u>this link</u>.

Gender-based undervaluation

4. The Fair Work Commission's Gender-Based Undervaluation – Priority Awards Review is an important recognition of the value of work historically performed by women. The Working with Women Alliance (WwWA) welcomes the decision that workers employed under the SCHADS award have been the subject of gender-based undervaluation and the Fair Work Commission's commitment to addressing this undervaluation.

- 5. Women comprise the majority of workers in the health care and social assistance sector, and women with disabilities constitute a significant portion of the peer support workforce in these sectors. Many of these women have entered the workforce through non-traditional pathways, rather than formal education due to systemic barriers in education attainment. Aboriginal and Torres Strait Islander women are also more likely to work in community and personal services roles where their qualifications and lived experience are undervalued.¹
- 6. Women are more likely to access the services provided in the health care and social assistance sector. For example, two in three specialist homelessness services clients are women.² Most people who access domestic and family violence or sexual assault support services are women. The constitution of the workforce in this sector has a significant impact on women's safety and their economic participation.

SCHADS award not fit for purpose

7. We note the Commission's finding that the current SCHADS award is not fit for purpose and agree that the existing five-stream classification structure is complex, inconsistently applied and prone to misinterpretation or misuse.

Response to provisional view

- 8. We are concerned about the provisional classification structure proposed by the Commission, including the reliance on formal credentials and the potential reduction of wages of women working in the sector. The reliance on formal qualifications would disproportionately disadvantage women with disabilities who often face barriers in accessing traditional education pathways but bring essential expertise through lived and workforce experience. The qualification-centric approach creates a hierarchy that privileges formal credentials over the invaluable expertise that comes from lived experience of disability.
- Similarly, women working in the gender-based violence sector often have lived experience of violence, which can be more valuable for crisis response than formal qualifications.
- 10. The provisional view does not reflect the diversity of experience and roles within the sector, nor the variety and scope of the work covered by the SCHADS award.
- 11. Further, if industry rates are lowered, this will contravene the aims of the gender-undervaluation review, and could lower the overall value of the sector, jeopardising critical funding from state and territory governments.
- 12. We are also concerned that lowering industry rates and the removal or slowing of pay point increments will have an impact on staff attraction and retention, which

- would be catastrophic for a sector already facing high burnout, turnover and skill-shortages across Australia.
- 13. Classification structures relying on qualifications would exacerbate workforce shortages in thin rural and remote markets where workers with local knowledge and cultural competency are already difficult to recruit and retain.

Diversity of care work and focus on qualifications

- 14. We are concerned that the Commission has inadvertently collapsed the diversity of care work in the sector into a single set of skills that can be benchmarked against the skills and qualifications required for work in the Aged Care sector. Disability care work can differ from aged care work substantively, and the specialised care provided in domestic and family violence and sexual assault support services require different skills again. These misinterpretations and the associated proposed classification structure will result in financial disadvantage for many workers and confusion and instability for service providers in the sector. While we appreciate the need to simplify the Award classification structure, we urge the Commission not to simplify the value of care work in the process.
- 15. We welcome the discussion paper's indication that home care workers in disability care would experience wage increases. This was a recommendation included in the final report of the Royal Commission into the Violence, Abuse, Neglect and Exploitation of People with a Disability (Recommendation 10.9). We are, however, concerned that an emphasis on minimum qualifications would effectively restrict career progression for workers in this sector. As the Commission will know, while the Royal Commission into Aged Care Quality and Safety recommended setting a qualification standard of Certificate III, the Royal Commission into the Violence, Abuse, Neglect and Exploitation of People with a Disability did not issue the same recommendation.

Pay rates

- 16. There is a significant risk of pay rates decreasing for some levels within the award in the translation to the provisional structure. Positions currently classified in Schedules B and C of the award would be particularly impacted by these changes.
- 17. For example, family violence practitioners are typically employed at level five of the current SCHADS award with a weekly pay rate between \$1,938 and \$2,025, dependent on experience. In the provisional structure, the same worker could be employed at level four or five and receive between \$1,419 and \$1,471 per week. That represents a potential yearly salary decrease of more than \$25,000. It is not

- clear what the rationale is for such a significant decrease, or how it seeks to address gender-undervaluation.
- 18. While individual pay rates might be protected in the transition to the new SCHADS structure, any change to pay is likely to impact the level of funding community sector organisations receive from state and territory governments.
- 19. Further the absence of pay increments in the provisional structure would work against sector efforts to address burnout and high-turnover by incentivising staff to stay in their roles through acknowledgment of their on-the-job learning.

Risks of grandfathering

- 20. We appreciate that the Commission has determined that no employee should have their pay reduced by the translation from the current classification structure to the new structure, and that employees who do translate to a classification with a lower rate of pay would retain their current rate of pay. However, a two-tier system will impact job mobility and recruitment, as workers are unsure if their wages will go down if they change jobs.
- 21. In their most recent community sector survey, ACOSS notes that most community sector organisations, who employ staff under the SCHADS Award, feel that recruitment challenges are worsening, and three in four leaders say it has become more difficult to attract and retain staff.⁴ Many of these organisations name low wages as a significant barrier to workforce sustainability or growth.
- 22. This situation understaffing and recruitment challenges will be exacerbated by a grandparenting arrangement in which some staff are paid at higher wages than others. This would also be a significant administrative burden for organisations within the sector, especially smaller, specialised organisations that work with marginalised communities.

Implementation of a new classification structure

- 23. It is worth taking the time to get this right, rather than rushing the process and risking further entrenching gender inequality in the care and social assistance sector.
- 24. We recommend the Commission design the new structure methodically, in consultation with interested parties and stakeholders to ensure no unintended consequences for the women who work in the sectors. The new structure should value lived experience, support workforce development and ensure that no worker is faced with a potential wage decrease.

¹ Jobs and Skills Australia, 2025, *New perspectives on old problems: Gendered jobs, work and pay*, Australian Government

² Australian Institute of Health and Welfare, (2025), Specialist Homelessness Services: monthly data – December 2024, Australian Government

³ Commonwealth of Australia (2023) Royal Commission into Violence, Abuse, Neglect, and Exploitation of People with Disability: Final Report

⁴ Cortis, N. and Blaxland, M. (2023) At the precipice: Australia's community sector through the cost-of-living crisis, fundings from the Australian Community Sector Survey. Sydney: ACOSS