

Yfoundations submission to Fair Work Commission Gender undervaluation - priority awards review of the Social, Community, Home Care and Disability Services Industry Award 2010 (SCHADS Award) (matter AM2024/21)

# **Background**

- 1. Yfoundations is the peak body for child and youth homelessness in NSW. For over 40 years, Yfoundations has served as the NSW peak body advocating for children and young people at risk of and experiencing homelessness, and the services that support them. We are a membership-based organisation of youth specialist homelessness services (SHS) and stakeholders, with a network of over 50 organisations across the state. Our members and board comprise highly experienced youth SHS providers who have direct knowledge of and experience in and with the sector workforce, in addition to the issues faced by children and young people experiencing homelessness.
- 2. We are also part of the SHS Sector Workforce Development partnership, a collaboration between the three peaks for homelessness in NSW Yfoundations, DVNSW and Homelessness NSW funded by the NSW Department of Communities and Justice (DCJ). This program focuses specifically on developing and delivering projects and resources for sector workforce development.

### Introduction

- 3. Yfoundations welcomes the recognition by the Expert Panel (the Panel) that SACS employees and crisis accommodation employees covered by the SCHADS Award (the Award) have been the subject of gender-based undervaluation and that rates of pay are not fit for purpose. We welcome the Panel's determination that these findings constitute work value reasons justifying the variation of the modern award minimum wage rates applying to each category of employees, and we appreciate the Panel's efforts to streamline the current award.
- 4. However, we question the appropriateness of applying the Carer benchmark to the homelessness services sector a benchmark that does not reflect the complex, skilled,

- demanding and highly-varied nature of homelessness services work, which we believe is also true of the wider community services sector.
- 5. We are concerned about the impact of the Panel's proposed provisional classification structure in Schedules B and C, in particular the reduction of pay points across levels, the length of time for progression between pay points across various levels, merging of current levels, and the proposed wage rates that are below the rates in the current Award.
- 6. There is a risk these will strongly and adversely impact the sector we represent; disproportionately impact women; exacerbate the challenges already experienced throughout the sector, particularly in relation to worker recruitment and retention; and create unnecessary and unwelcome confusion, chaos, unrest and organisational issues and burdens that would compound current instability in the sector, especially given the sector is undergoing a contract commissioning process.
- 7. These measures may also contribute to what this review was intended to redress, continued gender-based undervaluation and pay inequity, with the consequence of embedding this into the Award.

# Composition of the homelessness services sector workforce

- 8. The child and youth homelessness services sector workforce comprises:
  - large and complex organisations involved in many aspects of community services delivery across the state, including child and youth homelessness support service delivery
  - medium-sized organisations that deliver homelessness support services to a range of client groups experiencing and/or at risk of homelessness, including children and young people
  - smaller service providers with a focus on providing responses to address localised child and youth homelessness and to support young people experiencing or at risk of homelessness.

Yfoundations' membership base comprises organisations of all scales that provide responses to children and young people experiencing or at risk of homelessness.

- 9. While funding is provided for specialist homelessness services provision by the NSW Government through DCJ, many services report having to raise additional funds through philanthropic organisations, donor drives and fundraising events to meet the real and increasing costs of service delivery. In short, the sector is underfunded.
- 10. The sector workforce comprises workers who are daily supporting young people who are experiencing trauma (often complex trauma) and negotiating challenging situations. They support young people escaping domestic and family violence and/or sexual abuse, exiting youth justice detention and out-of-home care, young people with substance misuse (alcohol and other drugs), and those experiencing mental health issues and/or a complex combination of these and other issues.

- 11. These workers use their skills, experience and knowledge across a broad range of areas to work with children and young people experiencing homelessness, assessing and assisting them to make potentially traumatising disclosures about what has happened to them and to de-escalate situations when tensions are running high. This work requires critical analysis, professional judgement, decision making and the capacity to manage high risk situations and high levels of stress and trauma on a daily basis. This can also add challenges for workers who have lived experience of youth homelessness and/or any of the other issues outlined above and who may be triggered by those disclosures.
- 12. The sector workforce works in a range of settings and includes case managers, youth workers, support workers and team leaders who either work with young people to get them into temporary accommodation (usually up to four nights in hotel accommodation) and then into crisis accommodation (if places are available and often only for up to three months) or who work in crisis accommodation (refuge) services. It also includes workers in longer medium-term or transitional accommodation and supported housing.
- 13. Sector workers use their skills, knowledge, experience and networks to support young people to access crisis and temporary accommodation, mental health services and other supports, often in areas where access to services is extremely limited (especially in relation to housing and accommodation) or virtually non-existent (for example, accommodation and mainstream support services in rural and regional areas).
- 14. Many of these workers may also work with schools and other institutions to identify children and young people at risk of homelessness and support these young people and their families to manage the issues that lead to child and youth homelessness.
- 15. Additional cultural expertise is required for workers to effectively embed culturally appropriate and culturally safe practices in responses for Aboriginal children and young people, who comprise around 30% of young people experiencing homelessness statewide (up to 46% in some regional areas), and young people from culturally and linguistically diverse backgrounds. In a state that has very few Aboriginal community-controlled organisations funded to provide homelessness support to young people, this work may include liaising with Aboriginal services in the community (e.g. medical and legal services) to provide additional culturally appropriate supports.
- 16. The sector also comprises workers who perform a range of complex roles relating to the administrative, developmental and operational requirements of services, including managing client intakes; meeting funding and reporting requirements; managing staff, staff rosters and HR obligations; staff induction and development; financial management and fundraising; collaboration with partners and stakeholders in program and service delivery; and responding to government requests for consultations and input into research, and policy and program development and review for the programs they are funded to deliver, amongst other things.

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<sup>&</sup>lt;sup>1</sup> Yfoundations (2025). Literature Review 2024-25: History of the Homelessness Sector, Unpublished draft.

- 17. While our own research<sup>2</sup> has revealed there is no census data on the nature and composition of the homelessness services sector workforce in NSW, a report on the Victorian homelessness sector workforce revealed that the workforce is highly feminised, with women representing almost 90% of workers among the most common specialist homelessness services occupations (such as case managers, social workers and counsellors), and more than 80% of all staff.<sup>3</sup> A recent worker wellbeing survey of the NSW SHS sector workforce revealed that of the 443 responses received from 80 services across NSW, around 81% of respondents were female.<sup>4</sup>
- 18. The vast majority of workers in this sector would be employed under Schedules B and C of the SCHADS Award, and this is also true of the majority of employees in peak organisations, like Yfoundations, across the social services and community sectors.
- 19. Given this, the imposition of the proposed provisional classification structure has the potential to not only reinforce exactly what the review seeks to redress gender-based undervaluation there is also a risk it will result in an increased loss of much-needed and valued workers in the sector who may look elsewhere for better paid and potentially less demanding employment, and greater opportunities for progression within pay levels, taking with them vast amounts of valuable knowledge and experience. Services have reported they are increasingly losing staff to the government sector where they can have better pay and, in some respects, better conditions.
- 20. The homelessness services sector is deeply and historically rooted in principles of altruism, advocacy and social justice. It values the diverse experiences and educational backgrounds of its workforce, recognising that this is fundamentally a human-centred profession.
- 21. Introducing a rigid pay classification structure that fails to reflect the complexity and diversity of work and roles in the sector and how its workforce has developed over time would be adversely retrospective. It would not only undervalue the qualities and skills that define the sector today but also further undermine a workforce that is chronically overworked and already lacks adequate social recognition. A reduction in pay and/or restriction of opportunities for pay progression (leading to wage stagnation) for workers, including those who have not obtained formal, costly qualifications but demonstrably possess the required skills through experience, would be both inequitable and out of touch with the reality on the ground.
- 22. The sector has also increasingly recognised the critical value of lived experience, with many organisations actively integrating it into their workforce. Individuals with lived experience bring irreplaceable insights, empathy and motivation; qualities that cannot be taught but are essential to effective service delivery. Their contributions must be meaningfully acknowledged, not marginalised by frameworks that do not adequately

<sup>&</sup>lt;sup>2</sup> Yfoundations (2025). *Literature Review 2024-25*.

<sup>&</sup>lt;sup>3</sup> Council to Homeless Persons (2024). A new workforce planning platform to support Specialist Homelessness Services and the community and social services sector, Melbourne.

<sup>&</sup>lt;sup>4</sup> Homelessness NSW (2024). *SHS Sector Wellbeing Survey Report 2024*, Sydney, p.6 at https://homelessnessnsw.org.au/sectorhub/wellbeing/

define or distinguish lived experience and honour the diversity and dedication of this essential workforce.

# Current challenges experienced by the homelessness services sector

- 23. Service providers across the state are reporting having to operate beyond capacity due to the impact of the cost-of-living crisis, rising rental costs, inadequate income support and a lack of affordable housing supply, pushing more Australians into housing stress and creating higher demand for support from the sector.
- 24. The increasing demands on the youth homelessness services sector workforce are significant, with workers supporting young people to navigate a fragmented and under-resourced service system to obtain other necessary supports, and negotiating, at times unsuccessfully, access for young people to mainstream services that, like their own, are overstretched or, in many areas, limited. In regional and remote areas, the tyranny of distance and lack of transport options adds further obstacles to helping get those young people to areas where other support services may be.
- 25. Service providers we visited in southern NSW spoke of wait times of up to three months to see a local GP to get referrals for young people needing to access mental health services (with accumulated wait times for those services after referrals have been obtained). Service providers across the state have also spoken of having no options other than to provide young people with a swag and/or tents to accommodate them due to the lack of emergency accommodation, and/or the lack of transport options to get them from one town to another, sometimes over 100km along the highway, to get them into temporary accommodation, some of which they described as potentially risky for a young person.
- 26. These are just some of the factors that add to worker stress and pose additional burdens on workers supporting these young people. Despite the essential and demanding nature of the job, wages are low, and this contributes to difficulty in attracting and retaining staff across the state. The length of service contracts, the way they are commissioned by government, and delays in confirming ongoing funding for existing services also impact retention in the sector.
- 27. Shortages of SHS staff in rural and regional NSW have further exacerbated the significant gaps in the youth homelessness services system in these areas and difficulties accessing services. Services report being increasingly exhausted over recent years due to heightened relentless caseloads in the face of repeated natural disasters, COVID-19 and the ongoing housing and cost-of-living crises, with valued and experienced staff leaving due to burnout and local housing shortages, which not only pose insurmountable burdens in their work when supporting clients needing accommodation but also impact staff personally.<sup>5</sup> New workers, when they are able to

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<sup>&</sup>lt;sup>5</sup> Yfoundations (2025). *Yfoundations Submission to NSW Homelessness Strategy*. Yfoundations, Sydney, p. 25 at https://www.yfoundations.org.au/resources/Submissions/yfoundations-submission-to-nsw-homelessness-strategy-february-2025/

- be recruited into these services, are expected to pick up that caseload, and the impost of recruiting and training new workers on organisations already struggling to meet client demand is high in terms of cost, time and diverted labour.
- 28. The sector needs stable funding and sufficient arrangements that reflect the true cost of delivering services, including meeting the training needs of the workforce. Support and mechanisms required to support a workforce, particularly workers with lived experience, also need to be interrogated and better workforce planning needs to take place.
- 29. Specialist homelessness services continue to be under severe funding stress to deliver on ever-increasing demand while struggling to meet rising costs and fund increases to staff wages and entitlements, and other increasing costs.
- 30. The SHS sector is currently subject to a contract commissioning process with DCJ, which will give successful service providers extended contracts of five years' duration (up from the current three years) to take them through to 2031. The department has made it clear there will be no increase in the funding pool available to these service providers. This funding stress is not going away and the indexation factored into these contracts does not cover the rising costs of service delivery.
- 31. The reliance on funding for staffing these services along with the financial stress faced by service providers also means staff cannot be offered ongoing employment contracts; there can be no guarantee of permanency. The ongoing sustainability of services and employment in these services is precarious.

### Recruitment and retention of staff in the homelessness services sector

- 32. Services, particularly those in regional NSW, report considerable difficulties in recruitment to fill vacancies. Due to the nature of government contracting arrangements, job vacancies are often for short-term positions, and attracting quality, skilled staff into these roles is difficult because of job instability and the lack of available housing. To provide high-quality effective services to people who are experiencing or at risk of homelessness, it is crucial that every homelessness service organisation has the staff, infrastructure to support staff, and sufficient funding.
- 33. These impacts are not isolated to the homelessness services sector. They affect organisations operating across multiple service sectors across the state that our services work in tandem with and that also provide support to people experiencing homelessness, by way of domestic and family violence support, mental health and chronic health services, community housing, financial counselling, community legal support, youth support services, and emergency relief. The majority of workers in

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<sup>&</sup>lt;sup>6</sup> Yfoundations (2022). *Regional Youth Homelessness Forum Consultation Report*. Yfoundations, Sydney, p. 4 at https://www.yfoundations.org.au/resources/Reports/regional-youth-homelessness-forum-consultation-report/

- most of these services are also employed under this Award. Again, we are looking at largely feminised workforces.
- 34. Workers across the sector are also impacted by the current cost-of-living and rental crises, and shortage of affordable housing across the state. The recent Everybody's Home Sector Survey<sup>7</sup> of community organisations, homelessness services and social welfare providers supporting individuals impacted by the housing crisis, reinforced reports that the housing crisis is also affecting those providing support. Of greater concern is that this impact is continuing, is more widespread than just the regions, and is on the rise. Nearly all organisational respondents (89%) indicated their staff and volunteers were directly impacted. Many described the difficulty of maintaining morale and preventing burnout. One respondent explained that they are 'losing staff because they themselves cannot afford housing, making it even harder to provide support to clients.'<sup>8</sup>
- 35. In addition, 98% of organisations reported an increased workload over the previous 12 months, with 87% experiencing a further surge in demand since December 2024 with workloads impacted by increased casework complexity (76%), longer social housing waitlists (72%) and the inability to provide long-term housing solutions. What this shows is a broader service system (that includes and intersects with the homelessness services sector) under considerable strain, with rising costs and lack of affordable housing creating insurmountable barriers for vulnerable people and the workers who support them. Of even greater concern is that the vast majority (98%) of organisations expected demand for their services to continue growing in 2025. <sup>10</sup>
- 36. Services have reported that the numbers of students going through training and education pathways to work in the sector are not enough to meet need. The cohort of new graduates who do come into the workforce need experience and the confidence to help clients with the support they need, and, as mentioned earlier, that takes time and staff resources.
- 37. While the professionalisation built into the classification structure is one mechanism for recognising and developing the high-level skills required to work in youth homelessness services, there needs to be some incentive for staff, and/or a system to support them, to achieve these qualifications. Currently, SHS cover the costs of training existing staff to higher levels without any guarantee they will remain with the employer.<sup>11</sup>
- 38. As specialist homelessness services are under severe funding stress and struggling to meet rising costs while being expected to deliver on ever-increasing demand for support, funding agreements used by government to commission services would need to make provision for the cost to service providers of training new and

<sup>&</sup>lt;sup>7</sup> Everybody's Home (2025). *Under Pressure: Everybody's Home Sector Survey*. February 2025 at https://everybodyshome.com.au/housing-crisis-pushes-frontline-services-to-limit-in-record-summer-surge/

<sup>&</sup>lt;sup>8</sup> Everybody's Home (2025), p. 5.

<sup>&</sup>lt;sup>9</sup> Everybody's Home (2025), p. 3.

<sup>&</sup>lt;sup>10</sup> Everybody's Home (2025), p. 5.

<sup>&</sup>lt;sup>11</sup> Yfoundations (2025). Literature Review 2024-25, p. 26.

continuing staff, particularly given staff now often require qualifications, and to ensure services (and the sector overall) can hire and retain the best people. Given the advice from government that there is no increased pool of funding for our sector in contracts that will be commissioned to see them through until 2031, this is not likely to happen in the near future.

- 39. However, the duality and interdependence between a supported workforce and successful client outcomes are clear. A sustainable SHS system cannot exist without a sustainable workforce. Understanding who the workforce is and what it does is essential to creating and maintaining long-term stability in the sector.
- 40. Ensuring the workforce is properly recognised, supported and resourced is not just a matter of fairness, it is essential to sustaining the capacity of the homelessness sector to deliver meaningful outcomes for those it serves. The SHS workforce is the keeper of a vast wealth of collective knowledge and plays a critical role in informing service delivery and shaping better outcomes for clients. Recognising and supporting this knowledge base is crucial to sustaining the sector's effectiveness and resilience.<sup>12</sup>
- 41. Retaining this knowledge base is also important to peak organisations like Yfoundations that rely on the knowledge base and skills of our staff to advocate on behalf of the sector to commonwealth and state governments on homelessness and housing policy strategies and plans, program changes, inquiries, and reviews such as this gender-based undervaluation review. We rely on the knowledge base of our staff to consult with and identify sector needs for the development and delivery of sector development projects and resources, and we rely on this knowledge base in the development and delivery of submissions, research, presentations and position papers; participation in government consultations and workshops; and developing campaigns as part of our advocacy.
- 42. Our workforce comprises younger staff who have worked directly in homelessness service delivery and have moved on to Yfoundations to build and consolidate their skills, knowledge and experience in the policy and advocacy space. It also comprises older staff who have worked across a range of sectors, including in government, the private sector, other not-for-profit sectors, and media and communications. Some of our staff also have lived experience of homelessness and/or some of the other experiences that impact homelessness, and bring the knowledge borne of this lived experience to their work both with and for the sector.
- 43. Retaining these knowledge and skills bases within our own organisation is also extremely important in terms of how effectively Yfoundations can support and advocate for and on behalf of the sector.
- 44. Our team comprises staff employed at levels 3 through to 7 of the SCHADS Award, all of whom will be impacted by the translation from their current levels to the provisional classification structure. There is a risk that some staff would experience limited opportunities for progression or the removal of progression through their respective pay levels. Some would also be facing a reduction in pay in the event funding is not

<sup>&</sup>lt;sup>12</sup> Yfoundations (2025). Literature Review 2024-25.

- continued for their current positions and they were to seek a similar role in another sector organisation.
- 45. Yfoundations has experienced the challenges of staff recruitment and retention outlined above and has direct experience with the challenges, also outlined above, of training and bringing new staff up to speed to meet the expectations and demands of government, our sector members and the broader sector more generally when it comes to advocacy on child and youth homelessness. This would be true of many of our fellow peak and partner organisations in the broader housing and homelessness space, with the majority, if not all, of these staff being employed under the SCHADS Award, and whose classifications fall within Schedule B.

# Yfoundations' position on the Panel's proposals

- 46. Yfoundations is concerned about the provisional classification structure for Schedules B and C proposed by the Expert Panel, associated wage rates and the loss of annual pay increments in the new structure. We are concerned that implementing the provisional proposal without full consideration of the impact on the homelessness services workforce covered under Schedules B and C of this Award could have a negative and lasting impact on the community sector workforce, the community sector as a whole, and the people, families and communities who rely on this sector for support.
- 47. While Yfoundations recognises the revised classification structure may be a long-awaited and welcome development for the aged care sector, we believe it is neither appropriately transferable nor relatable to the youth homelessness services sector given the significantly different and diverse job roles and pay structures within the homelessness services sector when compared to the aged care sector.
- 48. We are concerned about the potential that thousands of workers will face pay decreases, particularly those remaining in the sector in similar roles but moving between organisations, despite the Panel's assurance that no employee's wage will go backwards because of any new classification structure. This risk needs to be comprehensively assessed and mitigated. While the comparative difference in some of these rates may seem, to the Panel, insignificant or warranted, for workers on the ground who are currently feeling the pressure of the combination of burdensome workloads, lower wages and the cost-of-living crisis, or those who have taken a pay cut to work in the sector, any reduction will be significant, any lack of progression will be a disincentive, and these may likely push many of them to consider changing careers and/or moving to another sector.
- 49. The removal of the annual pay incremental progression in the provisional structure removes a structured and regular way of recognising staff experience and rewarding work performance, and of an incentive for a worker to remain in the sector where pay progression may be a determining factor.
- 50. For example, the absence of pay increments in levels 4, 5, 8 and 9 of the provisional classification structure does not allow for potential annual pay progressions within

those levels, likely removing incentives and rewards for work and performance, and potentially impacting staff retention. Likewise, the reduction down to two of pay points at levels 3 and 7, combined with the lengthy years of service (ranging from four to seven years) to progress from one pay point to the next, including at level 6, would likely act as a deterrent to retaining staff, particularly at those higher levels where workers may be enticed away from the sector for better paying jobs in either the public or private sectors.

- 51. Yfoundations supports professionalisation through the formal qualifications set out in the provisional structure; however, an overemphasis on this, rewarded by higher pay rates, brings with it the risk of undervaluing industry experience and lived expertise, and it is likely a high percentage of sector workers may not meet these qualification levels despite being highly trained and highly skilled workers who perform the same roles as staff who have those qualifications.
- 52. This also raises the question of the impact of the cost of obtaining these qualifications for those without qualifications who may wish to progress to another pay level, which may prove financially prohibitive for many workers and unsustainable given challenging work, family and personal commitments. The financial and service delivery impact on many service providers, in terms of reduced staff time to accommodate study leave entitlements, may also be considerable and prohibitive.
- 53. We are also concerned about the potential impact on workplaces and the sector of a two-tier pay structure within organisations, which would be created under the grandparenting option where current staff will continue to be classified under the current award structure and new staff will be subject to the new structure. This will create pay inequity within organisations and will potentially lead to tensions among staff around role responsibilities and expectations. New employees without the requisite qualifications may be at risk of having to commence at lower pay levels for essentially the same jobs. Many employees under the current award moving to a similar role in another organisation may be deemed new employees subject to the new award and may find themselves facing a drop in salary.
- 54. Mapping current employees into the provisional classification structure would be resource intensive and create unnecessary administrative and financial burdens and costs to organisations already struggling with high demand on very tight or insufficient budgets to meet service delivery. Applying the grandparenting option would also bring with it the additional burden of sustaining one workforce under two different classification structures. All of this would also lead to confusion and concern among staff, further impacting the focus on frontline service delivery. Any changes to the classification structure need to be accompanied with discussion about how the sector will be supported through this and what resources, including training, will be provided.
- 55. As current government funding does not meet the real cost of service delivery, and indexation on funding does not cover the overall rising costs of service delivery, services must not be left to absorb the additional costs associated with wage increases and the burdens associated with mapping and transitioning staff to a new classifications structure.

- 56. Mechanisms to mitigate unintended consequences of changes to the classification structure need to be established before implementation occurs. Where that does not occur, there is considerable risk of additional and onerous burdens on services. This could further exacerbate instability and insecurity already experienced in sectors and among services (including homelessness services) that are currently undergoing contract commissioning processes and may potentially lose staff due to uncertainty about the continuation or extension of their employment contracts.
- 57. Yfoundations would support the following in any further revision of the current classification structure:
  - The Fair Work Commission conduct sector-specific consultations to consider the impact of the proposed changes and refine classification descriptors, particularly with homelessness service providers of all sizes and staff with lived experience.
  - The Fair Work Commission engage in a co-design process with relevant stakeholders, including peak bodies, frontline service providers and unions, to ensure changes are fit for purpose.
  - The Fair Work Commission develop a clear transition plan, informed by the above processes, for the implementation of any new classification structure.
  - The Fair Work Commission move to award an increase to minimum wages payable in the homelessness services sector, with a clear commitment from commonwealth and state and territory governments to fund such increases in their entirety and to support organisations to transition to any new structure.
  - The Fair Work Commission enhance the current classification system within the SCHADS Award for the homelessness sector with a view to increasing the current pay rates across all levels where those increases are matched in government funding levels.
- 58. Noting the risks highlighted throughout this submission, Yfoundations would not support any proposal to bring on a process in the immediate future to finalise and implement the Commission's provisional classification structure as it stands. These risks need to be fully assessed, taking into account the complexity of the homelessness sector and the proposed changes, and how they will impact current workforce challenges in the youth homelessness sector.