

Catholic Social Services Australia

AM2024/21 - Gender
undervaluation – priority
awards review

February 2026

6 February 2026

Dear Fair Work Commission

Re: AM2024/21 - Gender undervaluation – priority awards review

Catholic Social Services Australia (CSSA) appreciates the opportunity to provide this additional submission on the Social, Community, Home Care and Disability Services (SCHADS) Industry Award 2010 (SCHADS Award) as part of its Gender-based Undervaluation – Priority Awards Review. This submission responds to the Fair Work Commission's (FWC's) Report to the Expert Panel – Conference Process (*AM2024/21 Variation on the Commission's own initiative – gender-based undervaluation – priority awards review*) released on 16 December 2025).

We appreciate the FWC's extended consultation period to develop a fairer Alternative Structure further to the Provisional Structure (April 2025) and recognise the FWC's particular attention to:

- Increased classification levels and pay points
- Clearer conditions for progression in pay and classification
- Clearer definitions for roles and work within each classification commensurate with pay structures
- Greater recognition of equivalency between qualifications and prior professional experience and lived experience

In seeking to ensure that the SCHADS Alternative Award Structure continues to consider social and community sector voices and in line with CSSA's initial SCHADS Award submission (May 2025), we continue to advocate to ensure that at **a minimum, no employee has their wage rate reduced because of the transition to the Alternate Award Structure**. We also seek further clarity and resolution of the following matters:

Classifications Structures and Pay Rates according to level of Qualification.

The Alternate Award Structure recognises remuneration for an undergraduate degree or equivalent qualifications but further work is required to develop a classification framework

that ‘more clearly distinguishes the professional workforce within social and community services, including degree-qualified practitioners such as social workers and psychologists’¹, whose roles require advanced expertise and supervisory and leadership responsibility. Under the current proposed approach, employers could be incentivised to recruit minimum qualified staff for a given role as they cost less and the funding envelope does not adequately cover higher qualified applicants who would likely have increased competency to deliver quality services and supports to vulnerable clients.

The reclassification of roles under the Alternate Structure must be matched to pay structures that not only recognise qualification levels and benchmarks, but are equally reflected in government funding, including in contract indexation. These proposed changes also impact other leadership and supervisory positions which would also necessitate classification adjustments and associated salary increases. With current funding levels sector organisations cannot absorb this cost. If the sector attempted to absorb this cost, this would result in unavoidable and significant service contraction.

Transitional Arrangements for Classification Translation

- A minimum six-month notice period prior to implementation to enable system updates, review of staff classifications, and communication with staff.
- Establish support mechanisms to assist organisations with implementation costs and challenges.
- Develop resources and guidance materials for classification and reclassification.
- Provide training on the new classification structure for both employers and employees.

Change Management to Support Operationalisation of the Alternative Award Structure

The Alternative Award Structure will require extensive organisational transformation that many not-for profit organisations are ill-equipped to manage with their limited administrative resources. The new classification structure will have a significant operational, administrative, cultural and financial impact on the social services sector. The FWC should therefore ensure:

¹ For further discussion refer: Centre for Excellence in Child and Family Welfare submission to the FWC Gender Undervaluation – Priority Awards, (AM2024/19, AM2024/20, AM2024/21, AM2024/22, AM2024/23), 12 September 2025. <https://cfecfw.org.au/app/uploads/2026/01/am202421-sub-cfecfw-120925.pdf>

- An extended implementation period for transition to the Alternative Award Structure given the financial and operational realities facing service providers. We strongly recommend:
 - A phased implementation approach spread over two years to allow organisations and funding bodies adequate preparation time to transition to the new arrangements.
 - Like the Aged Care Work Value (Phase 3) decision, increases should be implemented in stages (e.g., a maximum of 10 per cent increase at one date, with further increases passed on 6 months later).
 - Alignment with government funding cycles and adjustments. Wage increases without matching increases in government funding threaten the viability of service delivery models, ie. fixed-fee-for-service models.
 - The operative date should be dependent on changes to government funding and the timing of such changes.
 - Establishment of a tripartite agreement (Fair Work Commission, Government, and Sector Representatives) to ensure funding parity and shared accountability as the Alternative Award is rolled-out.

About Catholic Social Services Australia

Our 42 member agencies, with an annual revenue of \$1.4 billion, employ a diverse workforce over 11,000 staff members to provide a diverse range of services to about half a million people annually. These services include aged care, NDIS services, youth work, financial counselling, family and relationship support, homelessness services, and emergency relief, all aimed at helping the most vulnerable and impoverished in our society.

Our network operates across more than 900 sites in Australia, including some of the nation's most regional and remote locations. CSSA's interest in this Review stems from our commitment to a fairer, more inclusive Australian society that reflects and supports the dignity, equality, and participation of all people. We regard Australia's social service system as both a universal entitlement and social safety net, accessible to anyone in need.

Yours sincerely,



Dr Jerry Nockles

Chief Executive Officer

Catholic Social Services Australia