

Women's Economic Opportunities Review

Submission



March 2022

About NCOSS

The NSW Council of Social Service (NCOSS) works with and for people experiencing poverty and disadvantage to see positive change in our communities.

When rates of poverty and inequality are low, everyone in NSW benefits. With 80 years of knowledge and experience informing our vision, NCOSS is uniquely placed to bring together civil society to work with government and business to ensure communities in NSW are strong for everyone.

As the peak body for health and community services in NSW we support the sector to deliver innovative services that grow and develop as needs and circumstances evolve.

Published March 2022.

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NCOSS can be found at:

Level 3, 52 William St, WOOLLOOMOOLOO NSW 2011

Phone: (02) 9211 2599

email: info@ncoss.org.au

website: www.ncoss.org.au

facebook: on.fb.me/ncoss

twitter: [@_ncoss](https://twitter.com/_ncoss)

Overview

The social services sector is an essential industry, anchored by a female workforce. In NSW it is a major employer of women with three out of four employees in the sector being female. With annual economic output valued at \$15.4 billion, it is a growth industry that makes a significant contribution to the NSW economy, and has been identified by the World Economic Forum as a key emerging job cluster.

But it is part of a highly gender segregated industry – Health Care and Social Assistance – and has the third highest gender pay gap across 19 industries. At 20.7%, this is greater than, and contributes substantially to, NSW's overall gender pay gap of 14.5%.

As has been demonstrated throughout COVID-19 and other disasters, the work of the social services sector is critical, keeping the most vulnerable safe and supported during difficult times. Often unseen, it keeps society functioning and ensures that people in need are looked after. But its role is too often taken as a given and treated as a cost, rather than a worthwhile investment.

As a result, the work is under-valued, it is not seen as a prestigious career, and significant structural barriers impact the sector, preventing women from maximising their economic security and participation within it. These include:

- Poor pay and inadequate entitlements
- Chronic underfunding in the face of rising demand and increased administrative burden
- Lack of formal recognition and resourcing of the sector's critical role in responding to emergencies
- Short-term contracts and program uncertainty
- Outdated, paternalistic and unfair contracting and related arrangements
- Lack of stewardship and a strategic approach to development of the social services industry.

The cumulative effects on women are significant. Our recent survey of 560 workers in the sector finds that one in two intend to leave or are not sure if they will stay, with high rates of job insecurity, unpaid hours, cost of living struggles, no opportunity for progression, and stress and burnout reported.

Not only do these conditions dampen economic outcomes for women at an individual level, they also impede NSW's ability to capitalise on the growth potential of this essential industry, and they act as a brake on the sector's contribution to the state's economic recovery.

Our submission sets out how current circumstances have brought greater recognition to the social service sector's essential role and focused attention on the benefits of Government and the sector partnering together to keep vulnerable members of the community safe and supported.

The time is right to build on this momentum and transform the social services sector – by replacing outdated, sexist notions with strong stewardship, a strategic approach and modernised, fairer arrangements that will better support it and its predominantly female workforce to flourish. These include:

- Measures to deliver better pay, appropriate entitlements and a safe, supportive workplace
- Adequate funding, backed by a transparent evidence-based funding model, to respond to rising demand and growing administration/management requirements
- Longer-term, fairer contracts that support program continuity and career progression
- Embedding the sector's role in the emergency management system
- A strategic approach to leadership, career pathways and workforce development.

The submission also emphasises that a safe, secure and affordable place to call home is the bedrock for economic security and participation; but that in NSW this is becoming increasingly difficult to attain, with the gender pay gap locking many women out of home ownership and leaving them to struggle in the private rental market. This in turn places increased strain on the social services system, as more people are pushed into housing stress and homelessness. We highlight how investing in social housing aids economic participation for disadvantaged households, eases the burden on the social services system and contributes to economic recovery across the state.

Our submission draws on an extensive body of research commissioned by NCOSS that is likely to be of interest to the review's Expert Panel: *The Social Sector in NSW: Capitalising on the Potential for Growth* (March 2021); *Rebuilding for Women's Economic Security: Investing in Social Housing in NSW* (October 2021); and *A Long Way to the Top: career opportunities and obstacles for women in the social services sector in NSW* (to be released mid-March 2022) – all available at www.ncoss.org.au.

We look forward to working with the Expert Panel on realising the opportunities outlined in this submission.

Summary of recommendations

- 1. Facilitate better wages, entitlements and access to childcare to grow workforce participation, economic security and career opportunities in the social services sector:**
 - a. Support the current wage case to lift wages for aged care workers by 25%, and advocate for changes to the Fair Work Act to include gender equality as an express object, removing the need for a male comparator and establishing a new Fair Work Commission gender equality panel.
 - b. Extend portable long service leave entitlements to all workers within the social services sector.
 - c. Advocate to the Commonwealth Government to:
 - i. Extend the period of paid parental leave under the national scheme to at least 26 weeks shared across the primary and secondary carer
 - ii. Introduce at least 10 days' paid Family and Domestic Violence Leave under the National Employment Standards
 - iii. Design a new childcare subsidy that is more affordable, accessible and boosts women's workforce participation.

2. Enable community organisations in the social services sector to provide secure jobs, supportive workplaces and career opportunities for women:

- a. Develop an evidence-based, data-informed funding model linked to population growth, demand indicators, economic conditions and the real cost of service provision (including an independent, consistent and robust process for determining annual indexation)
- b. In the meantime:
 - i. Boost recurrent baseline funding by 20% to address chronic underfunding, and equip the sector to respond to the ongoing impacts of the COVID-19 pandemic and natural disasters
 - ii. Set indexation so that it reflects the real cost of delivering community services – at least 3% for the duration of existing contracts.
- c. Provide funding certainty and continuity for essential social services that meet performance requirements and standards via longer, seven-year contracts with fairer terms and conditions that support a true partnership approach.
- d. Embed place-based NGOs in emergency management systems and provide them with adequate resources and recognition to improve local emergency responses and recovery.
- e. Implement the recommendations of the 2019 *Family is Culture* review in partnership with Aboriginal leaders and communities; and work with them to grow, strengthen and increase investment in Aboriginal Community Controlled Organisations and the Aboriginal social services workforce.

3. Provide strong stewardship and a strategic approach to industry and workforce development by establishing a NSW Workforce Innovation and Development Institute in partnership with the higher education, VET, and social service sectors to progress:

- a. an Industry Development Plan (including a workforce growth strategy)
- b. initiatives to address system blockages, facilitate career pathways and support leadership development
- c. building an integrated dataset encompassing all areas of the social services workforce to inform planning, growth and transformation
- d. a comprehensive research program
- e. tailored education and training opportunities, alongside practical support, to address industry need and those of priority groups and locations in the community.

4. Invest in social housing to take pressure off the social service system and deliver social and economic benefits across NSW:

- a. Build 5,000 additional units of social housing every year for the next 10 years, providing the most disadvantaged households with a stable foundation for participation, security and wellbeing.

Better wages, entitlements and access to childcare for improved economic security, participation and career opportunities

The Australian workforce is highly segregated, with the majority of Australians working in industries dominated by one gender. Across 19 industries, the Health Care and Social Assistance industry – incorporating the social services sector – has the highest proportion of female employees at 79%. Average remuneration in female-dominated organisations is lower than in male-dominated organisations.¹

The NSW social services sector employs 240,000 across the state, with the latest statistics showing 75% of jobs are female.²

NCOSS recently conducted a survey of over 560 workers (the NCOSS survey) on career opportunities and obstacles for women in the NSW social services sector, of which 95% of respondents were women. Poor pay, and better pay and conditions elsewhere, were among the top four issues cited as barriers to career progression. Qualitative data from the survey highlighted that entitlements and conditions that are standard features of other industries can be lacking in the community organisations that make up the social services sector.

Low wages

Low wages across the social services sector are endemic, impacting the gender pay gap across the economy. Wages for entry-level positions in the sector are often at, or close to, the minimum wage set by the Fair Work Commission of \$20.33 per hour, despite jobs in the sector requiring post-school qualifications. As the below table sets out, this is below the hourly wage of a retail assistant at Bunnings Warehouse:³

Occupation	Hourly rate
Retail assistant, Bunnings Warehouse	\$25
Aged care worker	\$22.11
Child care worker	\$20.33
Welfare support worker	\$24.83

The Aged Care Royal Commission found shocking examples of neglect and poor quality care across the sector and concluded that low wages and understaffing were partly responsible. The Commission called for an increase in wages, reflecting the role they play in the inability to attract and retain staff in the sector.⁴

The wages paid to workers in the sector can make it difficult to meet the rising cost of living in Sydney and regional NSW. With affordable housing shortages exacerbated across NSW by the pandemic and other disasters (including recent flooding in northern NSW), the reality for many in full-time jobs in the social services sector is living in housing stress and struggling to meet day-to-day living expenses. The below quotes

from our Women in the Social Services Sector in NSW survey underscore this issue: ⁱ

'Working in metro Sydney, an NGO salary is not worth the sacrifice. Better to work at a corporate 4 days a week, and volunteer one day. You'll financially be in a better position.'

'NGO workers are very much under paid. We cannot live life worrying that if I miss work one day I can't pay a bill.'

'People cannot cover the basic costs of rent and everyday living on the SCHADS award, many positions are level 3-4.'

'People work for NGOs because they have a call to social justice and a heart for helping the vulnerable members of society. But, as a single woman, main bread winner, with an adult child that requires support (ASD), at some point love of the work will have to give way to the practicality of meeting my own financial obligations.'

Reforms are needed to the industrial relations framework to address the disparity in wages in female-dominated industries compared to those in male-dominated industries. NCOSS supports the current wage case by the Health Services Union that would lift wages by 25% for aged care workers; and reforms to the industrial relations laws to ensure gender equality is considered in wage claims.

Recommendation: Support the current wage case to lift wages for aged care workers by 25%; and advocate for changes to the Fair Work Act to include gender equality as an express object, removing the need for a 'male comparator' and establishing a new Fair Work Commission gender equality panel.

Portable long service leave

Over 7 in 10 respondents (72%)ⁱⁱ to our survey felt their organisation provides flexible work arrangements. However, a common theme in the comments provided was that little or no paid parental leave, and no portability of long service leave entitlements, were significant barriers impacting their careers.

A range of factors including inadequate funding and short-term contracts (discussed later in this submission) contribute to job insecurity for women in the sector. A lack of ongoing, permanent roles but a continued commitment to and passion for the work means that many women will spend their careers moving from one short-term role to another within the sector, losing their accumulated leave entitlements along the way.

This level of ongoing commitment to essential work is recognised and rewarded in other sectors, such as teaching and nursing, by allowing workers in these professions to retain their accumulated long service leave even when they change employers, as long as they remain within the sector.

ⁱ Quotes in italics throughout this submission have been provided by respondents to the NCOSS survey *Women in the NGO Social Services Sector in NSW* undertaken February 2022 and report soon to be released March 2022.

ⁱⁱ n=560 complete surveys

One respondent to the NCOSS survey commented that she would not recommend working in the social services sector to a female friend because *'[you] can't earn long service leave as the contracts are never long enough and you can't transfer it over.'*

Extending portable long service leave entitlements to the social services sector would mean that women are supported along their career pathway, recognised for their experience and contribution, incentivised to continue doing the essential work of the sector, and able to access hard-earned breaks from the demanding nature of their work. With 62% of respondents to the NCOSS survey saying that 'stress and burnout' was a barrier facing women in their organisation,⁵ being able to retain accumulated long service leave is crucial.

Recommendation: Extend portable long service leave entitlements to all workers within the social services sector.

Paid parental leave

In addition to any paid parental leave offered by the enterprise agreement of their employer, women in NSW are entitled to parental leave under Australia's national scheme:

- 12 months' unpaid parental leave per parent under the National Employment Standards
- Commonwealth government-funded Parental Leave Pay scheme – 18 weeks' pay at the minimum wage to the primary carer
- 2 weeks' Dad and Partner Pay.

The maximum period of parental leave pay under the current national scheme is inadequate, contributes to unequal distribution of caring responsibilities, and is not in line with OECD or best practice standards.⁶

Recent reports from the Grattan Institute and KPMG recommend increasing the maximum period of paid parental leave under the national scheme to 26 weeks, to be shared across both the primary and secondary carer.^{7,8}

Increasing the period of parental leave under the national scheme overall, but particularly for secondary carers, would mean that more fathers are incentivised and supported to take time off to care for their child, and mothers are able to remain in or re-enter the workforce sooner. It would also lead to increased economic independence for women, and facilitate higher household incomes as a result of both parents working.⁹ The Grattan Institute estimates that these changes would flow through to an increase in GDP of \$900 million a year due to increased workforce participation by mothers, boosting the average mother's lifetime earnings by \$30,000.¹⁰

Improving the national scheme would also provide more support for women who work in lower-paid sectors that are not as well-resourced to provide additional paid parental leave entitlements.

'The lack of paid parental leave has a big impact on our ability to retain women in the workplace, as many seek jobs outside the NGO social services sector where this is offered usually as the norm.'

For women in the social services sector, a strengthened national paid parental leave scheme – combined with more adequate sector funding to enable additional entitlements (discussed later in this submission) – would go a long way to supporting better workforce participation.

Recommendation: Advocate to the Commonwealth Government to extend the period of paid parental leave under the national scheme to at least 26 weeks shared across the primary and secondary carer.

Paid family and domestic violence leave

Family and domestic violence continues to rise across the country. In NSW, there was a 9.8% increase in reports of domestic violence to police over June 2019-June 2021, exacerbated by the pandemic. It is also estimated that these reports only make up 40% of actual crime levels.¹¹

The impacts of domestic violence are wide-ranging and can affect the workplace, with around two-thirds of victim-survivors being in the workforce.¹² Victim-survivor workers – overwhelmingly women – miss out on workplace opportunities, change their job more often and are more likely to resign.¹³

Retaining a job can provide women with the workplace support, stability and financial means needed to leave a violent relationship. This is why paid family and domestic violence leave is so crucial – to ensure women can take the time they need to safely leave, without any impact to their income.

The NCOSS survey found that only 42% of respondents said their organisation provides domestic violence leave.¹⁴ While the National Employment Standards have a requirement for employers to provide 5 days' unpaid family and domestic violence leave, this does not go far enough to give women the support they need to retain their jobs through difficult periods.

Recommendation: Advocate to the Commonwealth Government to introduce at least 10 days' paid Family and Domestic Violence Leave under the National Employment Standards.

More affordable childcare

The 2018-19 ABS Survey *Barriers and Incentives to Labour Force Participation* found that the most important incentives for women to join the workforce or increase their hours were access to childcare (52%), and financial assistance with childcare costs (51%).

However, the Commonwealth Government's current childcare subsidy levels remain unaffordable for around 40% of families and 48% of low-income families in Australia.¹⁵ While the Commonwealth Government has proposed reforms to the childcare subsidy (due to take effect in July 2022), these would only address affordability issues for around 27% of families using childcare and not address the needs of the vast majority of women who would like to work more hours if they could afford to do so.¹⁶

The Commonwealth should develop a new funding model that recognises the rise in dual income working families and delivers a childcare system that is accessible, affordable and supports family and community needs and choice. A new design should:

- be responsive to high effective marginal tax rates and the financial choices many women (and families) face when choosing whether to increase their paid working hours
- improve affordability – especially important for low paid workers in the social services sector
- support access to high-quality early learning for all children, regardless of parental workforce participation or meeting activity tests
- reflect a valued and well-remunerated early childhood education and care workforce.¹⁷

A more responsive, affordable and accessible childcare subsidy would increase female workforce participation, including in the social services sector, and further drive economic stimulus. It would also support girls and young women to get a strong start in life by ensuring that as children they have access to early childhood education.

Recommendation: Advocate to the Commonwealth Government to design a new childcare subsidy that is more affordable, accessible and boosts women's workforce participation.

A stronger social services sector – providing secure jobs, supportive workplaces and career opportunities for women

As a major employer of women, strengthening the social services sector is just as critical to achieving gender equity in NSW as it is to building a strong and resilient economy, and supporting people through tough times.

NSW's 240,000-strong social services workforce provides essential services to more than one million people each year.¹⁸ This includes support to those impacted by poverty, homelessness, domestic violence, mental health challenges, disability and other complex issues. Recent crises – from bushfires and floods to COVID-19 – have underscored the critical role of the social services sector in keeping our communities safe during disaster and providing trusted, culturally-safe support.

Throughout the pandemic, the NSW Government and the social services sector have worked swiftly and effectively together to get rough sleepers off the streets and into temporary accommodation, avoid harsh lockdowns on social housing estates, establish pop-up vaccination clinics, communicate public health messaging and deliver food and other essentials.

While these efforts often go unseen, the sector is an essential industry, anchored by a female workforce that keeps society functioning and ensures those who are struggling and on the margins get the support they need.

Despite this essential role, the work of the sector is undervalued and hamstrung by chronic underfunding and inflexible, unfair arrangements. At the same time, demand for services, along with the expectations of funding bodies, continues to grow. Together, these issues impede the ability of non-government social service organisations to offer job security, attractive conditions and the opportunity for women to build a long-term career in the sector and thrive.

Rising demand and unmet need

Prior to the COVID-19 pandemic, there were significant levels of unmet need across NSW, evidenced by:

- 56% of requests for crisis accommodation not met
- 41% of people with disability reporting their needs were met only partly or not at all
- substantial under-reporting of domestic violence
- 45,000 of people with a need for psychosocial support not receiving it
- a 76% increase over a 13-year period in mental health-related emergency department presentations
- 32,660 and 51,000 people on waiting lists for home care packages and social housing respectively.¹⁹

Evidence from previous economic downturns highlights that impacts are not evenly felt, can be long-lasting and include:

- increased housing stress and homelessness
- rising rates of domestic violence and children at risk of serious harm
- a drop-off in educational engagement and attainment
- exacerbation of mental health issues.²⁰

Anecdotal evidence from service providers on the ground in communities across NSW confirms that, while the economy may be bouncing back, some households are being left behind. They report continued, increased demand for support arising from a shortage of affordable rental properties, overcrowded living conditions, lack of social housing, rising cost of living, mental health issues and higher levels of domestic and family violence. This is placing further strain on an already stretched system.

Despite this, workers continue to go above and beyond to support those most vulnerable. Many work long hours with no additional pay to support people who would otherwise be turned away. Volunteers in the sector perform 1.7 million hours of unpaid work per week, contributing the equivalent of \$4.4 billion in economic value per year in NSW.²¹ This commitment to the work, combined with strained conditions, inadequate and uncertain funding and job insecurity, has led to significant stress and burnout in the sector.

'As a woman, with the current ridiculous funding environment and having to beg for private dollars at times it feels like we prostituting ourselves and our vulnerable clients (pardon my crass language). The pandemic has shown our sector is fragile and at breaking point. I am sick of being expected to jump through endless hoops for our pollies and bureaucrats, yet [I] am paid at 28 hours per week and have to work over 40 hours per week. I am considering going back to public service. The stress and pressure has taken a toll, this is not sustainable.'

The NSW Government has recognised the vital role of the social services sector during COVID-19 through the much-welcomed \$50 million Social Sector Support Fund and the partnerships grants program for selected areas, introduced in 2021. This has enabled service providers in the sector to reach out to households and individuals in need to provide temporary accommodation, access to groceries and other essentials, financial assistance, psychosocial support, as well as assistance to understand government health messages, navigate complex service systems, get vaccinated and stay safe.

However, these one-off funding boosts were always intended to be time-limited, and not premised on further outbreaks or the ongoing, increased demand as a result of COVID.

Notwithstanding rising demand on top of significant underlying unmet need, service providers at the frontline have not had a permanent, real increase to their core funding in many years. Longstanding programs – such as Specialist Homelessness Services, neighbourhood centres and family support services funded through the Targeted Early Intervention program, Tenancy Advice Services and organisations providing community-managed health services under the Ministerially Approved Grants Program – have had to operate under 'business as usual' budgets despite conditions being anything but. And with annual indexation to meet the rising cost of service provision (including wages) not guaranteed and a yearly guessing game, the pressure on these services to deliver 'more with less' has been considerable.

While services can, from time to time, benefit from access to additional funding to establish new initiatives or programs, these are often subject to short-term contracts with no guarantee that funding will continue. Many services also spend considerable time chasing small grants to cover their operating shortfall and remain viable, which adds to the administrative task. These issues are explored below.

Growing administrative burden

Non-government organisations in the social services sector face a plethora of growing and increasingly complex administrative responsibilities including risk management plans, data collection systems, outcomes measurement frameworks, quality standards, accreditation processes, privacy considerations, and cyber security matters, to name a few. These additional requirements are rarely accompanied by increased funding to cover additional costs. Cumulatively, they add significantly to the management and administrative task, at the same time that funding bodies appear intent on driving down the proportion of funds committed to overheads and 'back office' expenses.

NCOSS is undertaking a project to investigate the administrative and management functions required of small to medium-sized NGOs, how this has changed over time and in particular the impacts of COVID-19 and other disasters. The project is using a 'deep dive' case-study approach involving interviews, document review, and focus groups with a range of stakeholders to test and refine findings. Emerging themes include:

- Growing expectations from funding bodies and 'scope creep' e.g. client group increasing in complexity of need and duration of support required in some locations, but no additional funding
- Challenges of managing multiple funding sources – organisations need to chase down grants to make up their operating shortfall, so a small organisation may have anywhere from 14 to 30 grants that it needs to acquit
- Size/duration of grant does not necessarily match effort to secure it or reporting requirements
- Philanthropic funders generally assume that administrative/back office elements will be covered by core government funding.

There is constant pressure for the sector to be doing more with less, while the goalposts keep changing. This has a significant impact on the wellbeing and participation of the sector's employees. It is not surprising that the NCOSS survey found 'stress and burnout' to be the most commonly-cited barrier for women in the social

services sector at 62%, with one in two indicating they are either planning to leave or are not sure if they will still be in the sector in five years' time.²²

This is highly concerning given that workforce shortages are already a significant issue across the sector in NSW, and particularly regional areas. Over the five years to 2021, demand for carers and aides, health and welfare support workers grew 160% in regional NSW.²³

The chronic underfunding and under-resourcing of the sector play a direct role in depriving women of secure work, decent wages and conditions and a supportive workplace. Permanently increasing recurrent baseline funding would also increase the sector's capacity to provide women with stronger entitlements, development opportunities and career progression.

'The work is very rewarding so if dedicated I would recommend the sector. If career progression and high salary was a deciding factor, I would recommend employment in the private sector.' (When asked whether respondent would recommend working in the sector to a female friend.)

It would also strengthen Aboriginal Community Controlled Organisations in their provision of culturally-safe, community-led support for Aboriginal and Torres Strait Islander Australians, who continue to experience disproportionate levels of disadvantage.

The value of the sector and its workers needs to be recognised and backed by an evidence-based, data-informed funding model that is linked to population growth, demand indicators, economic and workforce conditions and the real cost of service provision.

In the meantime, a boost of 20% to recurrent baseline funding and adequate indexation would enable the sector to manage increased costs and risks and respond to rising demand.

Recommendation: Develop an evidence-based, data-informed funding model linked to population growth, demand indicators, economic conditions and the real cost of service provision (including an independent, consistent and robust process for determining annual indexation)

Recommendation: In the meantime:

- Boost recurrent baseline funding by 20% to address chronic underfunding, and equip the sector to respond to the ongoing impacts of the COVID-19 pandemic and natural disasters.
- Set indexation so that it reflects the real cost of delivering community services – at least 3% for the duration of existing contracts – and develop an independent, consistent and robust process going forward, in partnership with the social services sector.

Short-term contracts, program uncertainty and unfair requirements

Providing women with stable, permanent, long-term employment is a significant enabler of economic security. However, the social services sector is plagued by funding uncertainty in the form of short-term funding contracts – anywhere from six months to a year, three years in some circumstances, and very

occasionally five-year contracts – meaning that up to half of workers in the sector are employed on a fixed-term or casual basis.²⁴

There is also very little certainty for service providers that their service contracts will be renewed for another term. Contracts can generally be extended with only 30 days' notice – often services don't know whether they will get funding for the next 12 months right up to a month before the contract ends. When workers are unsure whether they will have a job in 30 days' time, they will look for employment elsewhere.

Not only does this impact job security for women, but it makes it difficult for business planning and improvements, and disrupts essential services for vulnerable clients if funding is not renewed.

'...Short term funding contracts from Government (e.g., 1 year) mean that there is also uncertainty in job roles, as often we are not advised of funding agreement renewals until after people have already sought new roles thinking their program may be ending at the end of the financial year.'

'Since I made the change from corporate to not for profit NGO sector - by choice, I have noted two major impacts to my career: 1) halves my salary regardless of my role or level of responsibility - which hadn't surprised me. 2) The other reality is that I have had no job security -which surprised me. It's due to the nature of gov grants and NGOs only employing people with my skills, experience and qualification on what seems to be short-term. My longest tenure was three years - impacted by the organisation losing all Government funding.'

'The short term funding arrangements of many positions makes working in the sector very unstable. People want to join the sector and contribute, however once in, they leave quickly for more secure and better paid roles outside of the sector. People cannot cover the basic costs of rent and everyday living on the SCHADS award, many positions are level 3-4.'

The following case studies further illustrate the impact of short-term contracts and uncertainty regarding program continuity for employees in the social services sector:

Case study: A vital domestic violence service on the Central Coast is left hanging

A Domestic and Family Violence (DFV) service on the NSW Central Coast provides intensive therapeutic support for families where young people are engaging in violence in the home. It employs a highly experienced, all-female team of therapists (psychologists and social workers with Bachelor and Masters degrees), who were especially recruited and trained in relevant evidence-based interventions as part of the program setup.

Their highly-specialised work (for which they are paid \$48 per hour) has delivered statistically-significant improvements in family functioning and reduced violence among the 101 children and young people who have participated in the program, as measured by numerous quantitative evaluations.

The original contract for the service, for two years and nine months, was due to expire in June 2021 but was extended (post contract expiry) by a further nine months to 31 March 2022. At this point in time, it is unclear what will happen past this date and whether the program will continue.

Referrals are on pause, there is a waiting list of 22 families and staff are extremely worried. The team leader has had to take maternity leave early as she is stressed and anxious about her future and that of her team.

Case study: Uncertainty for at-risk children and young people, and the staff supporting them

An early intervention service for 10-17 year olds at risk of long-term involvement with the justice system is delivered by three service providers in eight different locations across NSW, where there is identified high need.

The program supports young people and their families through case management and other evidence-informed interventions and, since its inception in 2016, has received a high number of referrals across all locations. Available data indicates that it has reduced formal contacts with police in up to 77% of cases (12 months post-referral to the program), by helping participants address intrinsic attitudes and beliefs towards antisocial behaviour, remain connected to their families and deal with the challenges they face.

Service providers originally entered into contracts with terms of two years and nine months, which have since been extended on five separate occasions, each for short time periods. Most recently, towards the end of 2021, providers were told that the program would be extended by 6 months to enable a decision to be made about its longer-term future. With a decision due in April 2022, at this point it is unclear whether the program will be ongoing post June 2022.

This makes it difficult to retain staff (the majority of whom are female), causes anxiety and low morale for those who remain, and potentially means that what will be six years of built-up expertise, knowledge, and relationships will be lost if the program is disbanded. It will also mean that demand for this type of support will go unmet and the families and young people who would benefit from it will be left high and dry.

Other standard terms and conditions of the NSW Human Services Agreement are also problematic. Clauses enable the funding body or NSW Government to issue new policies, guidelines or codes during the life of the Contract with which the service provider must comply, but without any additional funding even if there is an associated cost. Similarly, any applicable nationally-recognised standards that are introduced during the term of the Contract must be complied with, but there is no automatic contract variation applied to address any additional costs involved.

Other clauses give the funding body the ability to unilaterally vary Service Plans setting out the agreed annual deliverables, and the service provider must comply with these changes, again with no compensation for any increased costs. As already highlighted, even annual indexation is not guaranteed, with the Contract stating

that 'We may make an indexation increase of the Funds to You from time to time' (Clause 9.7(b), Human Services Agreement).

But while the funding body is able to exercise considerable latitude during the term of the Contract, this is not so for the service provider. At the end of each financial year, any unspent funds above \$250 have to be returned to the NSW Government. Reporting requirements are also onerous and not in keeping with the amount of funding received. This creates the impression that, while cost blow-outs and budget over-runs for large scale infrastructure contracts are par for the course, social service providers are held to a different standard and must be accountable for every last cent.

In general, the contracts are overly legalistic and complex with Standard Terms, Supplementary Terms contained in a Schedule that override the standard terms, and a number of annexures. For small service providers lacking access to legal expertise, it is a nightmare to navigate and many end up signing the contract without thoroughly reviewing or understanding the full extent of the terms.

In short, while the Contract talks about a partnership approach between the funding body and service providers, in reality it is anything but. It is a very one-sided, paternalistic arrangement, placing considerable risk and responsibility on the service provider that it is not always well-placed, or adequately funded, to bear.

Recommendation: Provide funding certainty and continuity for essential social services that meet performance requirements and standards via longer, seven-year contracts, with fairer terms and conditions that support a true partnership approach.

The impact of rolling disasters

In some parts of NSW, frontline services are still dealing with the aftermath of floods that occurred in 2017, and the 2019 bushfires – events which precipitated a rise in homelessness, mental health issues, financial distress, and family dislocation and breakdown. Not only have they had to respond to COVID-19 on top of this, many in Northern NSW and other parts of the state are now also dealing with unprecedented flooding that is devastating communities.

During these events, trusted, local services within the sector are essential sources of information, shelter, food and psychological support, particularly for the most vulnerable. Very often their staff and volunteers are also impacted so they are reliant on reduced resources. But the stories we hear from our members, in the face of rolling disasters, unfortunately don't change. Common themes include:

- Stepping up to work with other community leaders, coordinate available resources and provide support to vulnerable members of the community, often many days before emergency response agencies arrive on the scene
- No access to additional funding or backup resources, resulting in reliance on the goodwill of staff, volunteers and the community to provide emergency supplies, practical assistance and emotional support to those in precarious circumstances who would otherwise fall through the gaps
- Lack of an overarching coordinated approach, poor communication and being on the receiving end of confusing messages

- Being included in the emergency response as an afterthought or last minute addition only
- Valuable local knowledge and expertise being ignored by 'out of town' decision-makers (often men) who expect staff and volunteers of local services (generally women) to be available, at their disposal and ready to follow orders.

We know that those who are most impacted by disasters are those who are already disadvantaged, dealing with complex issues and least able to plan and prepare. And that for them, the recovery process can be a long and difficult road. It therefore makes sense that local services on the ground – who have long-standing relationships with their communities and valuable local knowledge – should be formally recognised and resourced, on an ongoing basis, for their role in emergency response and disaster recovery processes. Importantly, this must include a seat at the table from the outset, and input into the planning and preparation phases.

Emergencies and disasters are going to occur with increasing frequency and severity. There is an opportunity to learn from recent experience and strengthen our emergency management system.

Case study: Step by Step Recovery support cut short

The Step by Step Recovery Support Service was funded, initially for a 12-month period, to employ a team of five part-time female recovery support workers to provide intensive case-management support to over 500 bushfire-affected residents across four NSW local government areas. While an extension of a further 12 months was able to be negotiated, available evidence points to the need to fund recovery operations for at least five years. The service wound up in February of this year.

Short-term funding for long-term recovery results in job insecurity and uncertainty for staff, along with increased pressure to rush the roll-out of recovery activities. Step by Step found it challenging to recruit appropriate staff when 12-month contracts were all that could be offered initially. When a disaster recovery program ends, communities lose the support of experienced, knowledgeable workers who have built trusted connections with disaster-weary and wary clients. It is worth noting that many of Step's most vulnerable clients were older women living on their own.

Many female disaster recovery workers do not have established employment to return to when recovery operations wind up. For example, some Step by Step workers needed to start looking for other employment before the recovery program had completed. The current short-term funding model is unsustainable and actively works against best practice in disaster recovery. This includes the long-term economic prospects of women impacted by disasters and the women working to support their recovery.

Recommendation: Embed place-based NGOs in emergency management systems and provide them with adequate resources and recognition to improve local emergency responses and recovery

Improving diversity and cultural safety in the social services sector

Aboriginal and Torres Strait Islander people often prefer to receive care from Aboriginal and Torres Strait Islander organisations because it better meets their needs, including for cultural connection and safety, and can deliver improved outcomes when compared to mainstream services. However, these organisations need more resourcing and workforce development to grow and meet the needs of Aboriginal and Torres Strait Islander communities.²⁵

For example, while Aboriginal and Torres Strait Islander people account for 30% of people seeking homelessness services, the number of Aboriginal Community Controlled Organisations providing these services remains low.²⁶

While lack of adequate resourcing and funding is a key challenge, there is also a clear need for more focus from leaders in the social services sector to ensure they are cultivating and providing opportunities for women from diverse backgrounds at all levels of the organisation. When asked whether their organisation did enough to attract, support, develop and promote women from diverse backgrounds, only a third of respondents to the NCOSS survey felt their organisation did enough in this regard.

'We have a strong workforce of women from CALD communities, and a high percentage of employees with a lived experience of mental health challenges.....however more can be done to recruit Aboriginal and Torres Strait Islander women, as well as women with physical or intellectual disabilities. I would like to see us improve in this regard.'

'I think it is still a whitewashed industry.'

'It is challenging to get across a different perspective. Sometimes organisational culture needs to change to accommodate diversity. And at times it is the frontline staff that need to shift perspectives.'

The statistics tell us that the social service system continues to overwhelmingly fail Aboriginal children, young people, their families and communities. Meeting the Close the Gap target of reducing the number of Aboriginal children in out of home care by 45% by 2031 will require meaningful engagement with Aboriginal communities.

The 2019 *Family is Culture Independent Review of Aboriginal Children and Young People in Out-of-Home Care* by Professor Megan Davies exposed unethical practices and a care system lacking accountability and maintaining a resonance with historical practices of child removal used against Aboriginal communities. It provides the blueprint for change.

Addressing the needs of Aboriginal and Torres Strait Islander people into the future will require the funding of more Indigenous-led services and solutions that meet the diverse needs of communities, and an expansion of the Aboriginal and Torres Strait Islander social services sector workforce. The starting point should be full implementation of the recommendations of the *Family is Culture* review, underpinned by the right to self-determination.

'We are limited by funding, i.e. small team. We have an organisational commitment to develop the Aboriginal workforce in this region, but it must be supported by appropriate funding.'

Recommendation: Implement the recommendations of the 2019 *Family is Culture* review, in partnership with Aboriginal leaders and communities; and work with them to grow, strengthen and resource Aboriginal Community Controlled Organisations and the Aboriginal social services workforce.

Strong stewardship and a strategic approach to industry and workforce development

There are significant economic opportunities for women in building a more sustainable social services sector dominated by female workers. The sector is a growth industry with annual economic output worth \$15.4 billion.²⁷ In the five years prior to the pandemic, one in eight jobs created in NSW was in the sector; and it is estimated that it will require an additional 62,000 jobs by 2030, with 27,000 in regional NSW.²⁸ It has been identified by the World Economic Forum as a key emerging job cluster.

When asked in the NCOSS survey whether respondents would recommend the sector as a career to a female friend, comments included:

'Yes, because it is a sector that is rewarding and filled with passionate, driven, inspiring, and successful women, who are often battling against the odds but who do so because they genuinely believe in the impact of their work.'

'It's a brilliant, rewarding career where you'll meet passionate, educated women who will value your life experience, education, and value who you are as person and your values, and you'll get to make positive changes in the lives of the community.'

'Yes, it's a very rewarding sector to work in - you can see the positive impact of your work in the community and have the opportunity to work with some amazing and passionate people as colleagues.'

Others felt positive towards working in the sector with the caveat that low wages and development opportunities were limitations:

'As a starting/early entry career move yes [would recommend the sector], but as you progress, generally people have moved sectors due to needing stability, job security, financial security and seniority.'

'It is a fantastic industry but I would warn them that the pay is terrible - you do it for the love!'

'It's challenging and meaningful work, if you are passionate about it, but passion can't pay a mortgage, and the work is often underestimated. It is also hard to move across industries because of this attitude toward the sector, despite the obvious transferrable skill set.'

In addition to better funding models and increased investment, there is a clear need for stronger industry stewardship, a planned approach and strategic investment to maximise the sector's economic potential. This will also improve gender equity, support the sustainable growth of the sector and provide rewarding social service careers for women in NSW.

'Our organisation is small and we are all overworked in our capacity to meet the increasing community demands on the frontline. This leaves little or no time for further professional development and training.'

'Work is often contract and insecure, there is not a lot of time to take on development opportunities outside of the workload. Higher ups are too busy to put a lot of work into developing staff.'

'The challenge with supporting women into leadership positions is that we are a reasonably flat organisation with only limited opportunities compared to the number of women in the organisation. We could do more around the development of our people.'

Male-dominated industries are frequently championed by our politicians and other leaders, and are the subject of strategic investment initiatives, plans to address workforce issues and skills shortages, and blueprints for the future. A similar approach is needed for the social services industry.

An important example of how this could be achieved is Victoria's Workforce Innovation and Development Institute (WIDI), which provides a blueprint for a strategic and planned approach to grow and transform the social services sector. Established as a partnership between RMIT, the Victorian Government and the social services sector, it is leveraging the sector's potential for growth to build a high quality workforce, address skills shortages and provide employment opportunities where they are most needed – through scalable learning solutions, innovative programs and practical assistance.

A similar institute should be established in NSW, with care taken to ensure that governance structures and organisational arrangements are developed in close collaboration with Aboriginal leaders to reflect what will work best for Aboriginal Community Controlled Organisations and Aboriginal communities.

Case study: Reshaping Victoria's social services industry

Victoria's WIDI is reshaping the social services sector in that state via a range of initiatives such as co-designing new curriculum, piloting and evaluating new educational models and pathways, building leadership capability and developing evidence data and insights to inform workforce development approaches. Specific programs include:

- Higher Apprenticeships Training Program – to support workers in the sector build career pathways and progress into management roles and establish a pipeline of future leaders
- Schemes to break the cycle of long-term unemployment for over 50 year olds, in identified locations
- Co-designing with the sector and experts, curriculum and micro-credential products to support human-rights led practice that puts service users at the centre

- The innovative Traineeships Program to provide an alternative new training pathway into the disability sector, providing participants with qualifications, work experience and a wage
- Practical assistance to increase student retention – access to IT, transport and food vouchers, 1:1 support and mentoring, as well as language, literacy and numeracy support.

Recommendation: Establish a NSW Workforce Innovation and Development Institute in partnership with the higher education, VET, and social service sectors. The Institute should progress:

- an Industry Development Plan (including a workforce growth strategy)
- initiatives to address system blockages, facilitate career pathways and support leadership development
- building an integrated dataset encompassing all areas of the social services workforce to inform planning, growth and transformation
- a comprehensive research program
- tailored education and training opportunities, alongside practical support, to address industry need and those of priority groups and locations in the community.

A stable foundation for economic recovery, participation and security

A home provides the foundation on which people can build their wellbeing and manage life's opportunities and challenges. A decent, secure home enables people to have stability, supports good health, protects women and children fleeing violence, allows ageing in place and provides the basis for people to engage productively in their community.

However, the impact of ongoing lack of stable and affordable housing on women in NSW means that many are living in financial stress and precarious or dangerous situations, and were experiencing levels of housing insecurity higher than men even before the pandemic.

Home ownership and affordability for women is directly linked to the gender pay gap; given the current median house price in Sydney, it will take a female with average earnings 21 years to save a 20% deposit for a home, over 7 years longer than it would for a male on average earnings. With women owning homes at lower rates than men, they continue to miss out on the stability, wealth generation and economic security home ownership provides.²⁹

With a higher proportion of single women relying on renting properties, the affordability of rents is also important for women's economic security. Based on the average income of single parent households (of which 83% are female led), lowest quintile and median rents across regional NSW and Greater Sydney all exceed the benchmark for housing stress (30% of household income spent on rent).³⁰

The lack of housing also has a significant impact on whether women are able to safely leave dangerous situations. Currently in NSW, an estimated 2,402 women return to live with a violent partner because of lack of an affordable alternative, and a further 2,410 become homeless because they could not find secure and permanent housing after leaving violence.³¹

More social housing is a key solution to many of these issues. Yet, declining capital expenditure has resulted in social housing stock diminishing by almost 9,000 since 2014, while over 50,000 people sit on the wait list, in many areas for more than 10 years.³² Further, the NSW Government's 2021-22 Intergenerational Report estimates that, under 'business as usual' settings, by 2060-61 an extra 68,000 households in the 65+ age group alone will require social housing or otherwise experience acute housing stress.³³

Boosting economic opportunities for women through housing security requires decisive action and significant investment for substantial gains in the long term. Equity Economics estimates that an annual investment of \$2.6 billion would deliver 5,000 additional units of social housing and create 14,000 jobs across the NSW economy. This investment would also avoid \$38.5 million a year in costs from women returning to a violent partner, and \$68 million a year due to women experiencing homelessness as a result of domestic and family violence.³⁴

Investing in social housing would also relieve pressure on the social services system, by reducing the number of people experiencing crises and exacerbation of other issues because of homelessness, risk of homelessness and/or rising housing stress. Our 2020 survey and consultations with a diverse range of community organisations to inform our submission to the NSW Housing Strategy highlighted how lack of secure, affordable housing spills over to the broader social services system and ratchets up demand across the spectrum.³⁵

Stable living arrangements via social housing would also enable the provision of other targeted programs providing tailored support to assist those at risk of long-term unemployment gain skills and jobs, a key strategy to improving workforce participation.

Recommendation: Build 5,000 additional units of social housing every year for the next 10 years to provide women with a stable foundation for economic recovery, participation and security.

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