



Building Social Inclusion in Australia

priorities for the social and community
services sector workforce



recommendations for
stronger social and community services
produced by the Australian Services Union



A•S•U



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"I have been working under the SACS award for 11 years. The rate of pay is very low compared to other pay rates eg health, home care, I am doing grade 5 work and only being paid grade 4 as our funding is not adequate. I feel so many workers in the care industry just do their job and are not recognised for the huge job they do.

I know so many workers who work in the industry because they love it, they are passionate about caring for people, so they sacrifice money and volunteer to do more hours and are not getting noticed for this. As workers on the ground see what has to be done, they just do it and the government will let them keep doing it as it saves them money.

We have employed a new worker 4 months ago and she has great skills, eg ex-community nurse, (however) we have had trouble keeping staff with skills as the wage is so minimal compared to other employment.

It's about time we stand up and say we need a better rate of pay and conditions as I know so many people who have moved from this industry over the past 10 years.

I live in a rural area and I need the job as I am a sole parent."

Manager, Meals on wheels service, NSW

ASU survey, 2007

"There are no career opportunities in the organisation I work for - the nature of the work is demanding mentally and can carry a high level of personal risk."

Direct service worker, Aid agency, VIC

"...given my age and the my plans for the next five years (marriage, children, mortgage) I don't believe that working in the community sector is sustainable. I am curious as to why two people doing the same work get paid differently just because one works for the government and one works for the community."

Direct service worker, Family support service, NSW

"Amount of administrative work v client contact time. That has become the issue of the last few years. Has taken the satisfaction out of the work for many."

Manager, Youth service, WA

"Whilst I enjoy client contact & believe in the work of NGO community services sector - I neither have good career development prospects nor get a good wage for the work I do - many community organisations are under-resourced (especially where Government funding/contracts are involved) so staff are under valued in terms of wages, etc. Often these agencies & workers are expected to - and usually do - provide high quality service at a low cost to Government."

Direct services worker, Peak group, VIC

"SAAP like many other government funded program is drastically under funded for wages, on costs, service delivery, and the list goes on. I strongly feel it is time that this was seriously looked at and these types of programs were funded realistically."

Manager, Crisis and medium term supported accommodation, QLD

Executive summary

The Australian Services Union (ASU) is the key union in the non-government social and community services (SACS) industry. Our members work in a broad range of organisations from disability services to neighbourhood centres, from crisis refuges to environmental organisations. ASU members work in a myriad of jobs including those as social welfare workers, youth workers, advocates, advice and information workers, aged care and support workers, education workers and community development workers.

ASU members in the SACS workforce support the building of social inclusion in Australia and reducing disadvantage and social exclusion in all our communities. The ASU will work for a quality and highly skilled SACS workforce to help meet this goal.

However the SACS industry is at a crossroads. Strong industry growth is predicted to continue but widespread evidence shows that staff turnover is high with workers often leaving the industry for better pay and conditions elsewhere. A recent national workforce survey by the ASU of over 2100 workers demonstrates that:

- 52% of workers are not committed to staying in the industry beyond the next five years;
- 40% of workers who intended to leave the industry gave better pay elsewhere as the reason – this was the single biggest reason identified;
- 77% of managers surveyed nominated low wages as the main barrier to attracting and retaining staff;
- 75% of managers said low wages was the main reason staff gave for leaving their service;
- 17% of managers said they expected a staff turnover of over 50% in the next two years and 43% expected turnover of 20-49%;
- Rural/remote and regional managers identified that the two biggest barriers to attracting and retaining staff were lower wages compared to city jobs and limited training opportunities available;
- Paid parental leave, portability of long service leave, a less stressful work environment, additional staff to cover workload would all contribute to retaining the SACS workforce; and
- 56% of managers who are trying to attract and retain indigenous workers have difficulty doing so.

Academic, government and industry reports in a number of States and Territories support these statistics.

The ASU has developed a set of recommendations for SACS industry reform to ensure a workforce which can meet Australia's future needs for high quality services to disadvantaged and vulnerable Australians.

In summary, the recommendations for industry reform are as follows:

Funding

1. Increased funding for improved wages and conditions in order to attract and retain a future quality and skilled workforce while ensuring no less than all existing wages and conditions continue for the immediate future
2. Revision of the competitive tendering model of funding
3. Lengthening of funding rounds in order to provide more workforce stability
4. Adequate funding for current service provision and projected industry growth

Workforce development

5. Development of a national workforce attraction and retention strategy
6. Promotion of a highly skilled workforce through greater investment in education and training
7. Development of career paths that recognise skills and experience as well as career structures which allow mobility of workers throughout the industry
8. Strategies to address the shortage of indigenous workers to work with indigenous people
9. Strategies to address the shortage of rural/remote/regional workers

Industrial relations

10. Eliminate the confusion created by WorkChoices by ensuring that SACS awards are dealt with (at the State/Territory level) within a single industrial relations jurisdiction

Advocacy

11. Recognition of the role of advocacy in the work of the non-government SACS industry in legislation, administrative instruments and funding contracts

Governmental and industry response

12. A national roundtable be held in 2008 to discuss issues for the non-government SACS industry outlined in this report.

Recommendations

Funding

1. Increased funding for improved wages and conditions in order to attract and retain a future quality and skilled workforce while ensuring no less than all existing wages and conditions continue for the immediate future

Low wages are a barrier to attracting and retaining a high quality, skilled workforce. Improved wages and conditions which close the gap between non-government SACS and public sector jobs of similar work value would ensure the retention of a future non-government SACS workforce. Federal and State/Territory governments should ensure funding levels are sufficient to support pay levels to attract and retain a quality skilled workforce by closing this gap.

The Federal Government should promote portable long service leave (LSL) schemes for the non-government SACS industry. Specifically, the Federal Government, in conjunction with State and Territory governments, should fund a feasibility study into LSL portability.

Federal and State/Territory governments should promote and support 14 weeks paid maternity leave as the industry standard in the non-government SACS industry.

2. Revision of competitive tendering model of funding

The use of competitive tendering in the provision of social and community services is fundamentally inimical to the provision of services of the highest quality for the most disadvantaged and marginalised in our community. Competitive tendering is based on an assumption that the lowest cost base for the delivery of services is best for government. Such models of funding do not adequately reflect an appreciation and recognition of the needs of those who are to receive the services delivered.

Social and community services should be funded on "cost basis" models such as those used to fund health and education. Competitive tendering undermines the role that the SACS industry plays in supporting social inclusion. It should be reviewed with a view to phasing out its use in the SACS industry.

3. Review of funding contracts and lengthening of funding rounds in order to provide more workforce stability

The short term nature of funding contracts acts as a disincentive to workers seeking greater job security. In addition, employers have less incentive to provide training to workers who are more temporary, thereby adding to worker disincentive to stay in the industry. Funding contracts should be reviewed with a view to lengthening funding rounds in order to provide greater workforce stability.

4. Adequate funding for current service provision and projected industry growth

The provision of social and community services through the non-government sector continues to grow. It is essential that governments make adequate funding provision (including funding for wages, staff training, occupational health and safety (OH&S) obligations and relief staff) to support this growth in order to ensure quality service provision.

Federal and State/Territory governments must recognise that the costs of running a service increase each year and that indexation of funding contracts should accurately reflect these cost increases.

The Federal Government funds its share of all wage increases delivered by the various SACS industry awards over the last 11 years.

Workforce development

5. Development of a national workforce attraction and retention strategy

The Federal Government and each State/Territory government support and fund the development of strategies for addressing SACS industry workforce and skills shortages as a matter of urgency.

That Federal and State/Territory governments fund a promotional and advertising strategy aimed at encouraging both young people and older workers to enter the non-government SACS workforce.

6. Promote the development of a highly skilled workforce through greater investment in education and training

The Federal Government must invest in education and training in the Vocational Education and Training (VET) system (in TAFE and in community providers), and must encourage a similar investment by State governments, in order to expedite skill development of new workers in the non-government SACS industry as well as that of experienced workers via Recognition of Prior Learning and other programs.

7. Development of career paths that recognise skills and experience and career structures which allow mobility of workers throughout the industry

Workers in the SACS industry experience limited career paths and this is often cited as a reason for leaving the industry. Workers' career advancement would be better served if qualifications were more clearly linked to common sets of job titles and classification systems. The Federal and State/Territory governments should support this work in workforce planning at all levels.

8. Strategies to address the shortage of indigenous workers to work with indigenous people

The Federal Government support and fund the development of strategies to attract and retain indigenous SACS workers. Indigenous communities, indigenous educational and employment providers and industry representatives be included in the development of these strategies and that they include local initiatives for recruiting, training, mentoring and providing on-the-job support.

9. Strategies to address the shortage of rural/remote/regional workers

The Federal Government support and fund the development of strategies to attract and retain rural and remote SACS workers. Training and career development strategies such as enhanced training and education opportunities, a system for subsidising working in rural/remote communities and a scheme for 'bonded' education bursaries be investigated.

Industrial relations

10. Eliminate the confusion created by WorkChoices by ensuring that awards that cover workers in the industry are dealt with (at the State/Territory level) within a single industrial relations jurisdiction

Federal and State/Territory governments should co-operate to ensure that SACS service organisations within each State and Territory that are covered by awards in the SACS industry have the conditions of employment of staff dealt with in a single jurisdiction. That the determination of which jurisdiction (State or Federal) be based on consultation with the industrial parties.

Advocacy

11. Recognition of the role of advocacy in the work of the non-government SACS industry in legislation, administrative instruments and funding contracts.

Over the last 11 years the Federal Government has sought to restrict the role of non-government organisations in their advocacy roles. This has resulted in restrictions in funding contracts by government departments as well as interpretations of law by the Australian Taxation Office (ATO) to remove the Charitable and Public Benevolent Institution status of organisations critical of government policy.

Federal and State/Territory governments must ensure that all funding contracts explicitly recognise the role of non-government organisations in advocacy. In addition the law should be clarified to ensure that advocacy can be considered as a legitimate activity for all non-government organisations seeking to have Charitable and Public Benevolent Institution status for tax purposes.

Governmental and industry response

12. A national roundtable be held in 2008 to discuss issues for the non-government SACS industry outlined in this report.

The Federal and State/Territory governments should agree to convene an urgent national roundtable for representatives from their governments together with peak industry groups, unions and education and training providers to address pressing industry issues including workforce shortages and skills shortages.

Findings

Background

In April 2007, Julia Gillard, Deputy Leader of the Opposition and Shadow Minister for Industrial Relations and for Social Inclusion, launched the ASU's discussion paper entitled 'Building Social Inclusion in Australia - priorities for the social and community services sector workforce'. This paper was distributed nationally and the ASU sought to test its conclusions and areas of concern with ASU members and the broader non-government social and community services (SACS) industry generally.

2,188 ASU members and other members of the industry participated in an online survey (see Survey results section) and in consultation forums around the country from June to August 2007. The survey, the largest of its kind of the SACS workforce, drew participation from workers and managers from all states and territories, and across a wide range of representative SACS workplaces. The basic tenets of the ASU's discussion paper were confirmed by the experiences of workers at the front line of the SACS industry. The results of the survey and the forums, together with information from recent studies from industry groups, governments and academics have shaped the content and recommendations of this report.

Consistent themes emerge from many studies of the non-government SACS workforce over the last five years. In brief these themes are:

- A skilled SACS workforce is essential if we are to build a society which is socially inclusive;
- The SACS workforce demand is growing at a rate which is outstripping workforce supply;
- Turnover of staff in the industry is unacceptably high with losses to the public and private sectors;
- Wages and conditions are not competitive or comparable with those offered in the public sector or in other industries;
- Career development opportunities appear limited for those who work in the industry;
- Greater investment in education and training by both governments and employers is required to support a future skilled workforce;
- There are inadequate numbers of indigenous workers to work with indigenous communities and rural and remote communities also have specific needs that require attention.

1. SACS workers are critical to a social inclusion agenda

1.1 Why we need social inclusion – economic prosperity has not delivered for all

Despite 20 years of economic prosperity not previously witnessed in Australia, information released recently by Australian Council of Social Service (ACOSS)¹ shows that the number of Australians living below an international poverty line used in many OECD countries, increased to nearly 2 million people between 1994 and 2004 (from 7.6% to 9.9% of the population). If the poverty line used in the UK and Ireland is applied over the same period, the numbers of people in poverty rises to 3.8 million Australians, or from 17.1% to 19.8%.

Well-documented reports from Tony Vinson² show that some Australian communities remain extremely disadvantaged despite strong economic growth. His three studies undertaken since 1999 show that intergenerational disadvantage can be geographically identified by looking at key factors such as low income, unemployment or high level of criminal convictions and high levels of confirmed child maltreatment.

Recent data to June 2007 released from the Australian Bureau of Statistics³ (ABS) shows that working families are being hit hard by rising living costs (mortgage payments, increased debts, higher child care and education costs). Rising interest rates have alienated middle class and working Australians who previously managed their mortgages and enjoyed a standard of living not experienced by their parents. These people are now witnessing financial strain and in some cases severe hardship.

While income alone is not the only indicator for well-being, there is no doubt that economic security is a fundamental indicator of social inclusion. It is clear that despite Australia's growing overall wealth, an increasing number of people are being left behind.

A focused government strategy for building a socially inclusive society is integral to a fair and equitable Australia as well as to our domestic stability and security.

Eleven years of conservative federal government has made our social fabric more fragile. Australia is witnessing increasing income insecurity with the Government's twin approach of WorkChoices, the Government's industrial relations laws attacking job security and lowering wages especially for those on awards or individual contracts, together with Welfare-to-Work legislation eroding the welfare safety net. Divisions and intolerance in our community have been inflamed by denying indigenous history, the Tampa debacle and the failed policy of our immigration detention centres.

A focused government strategy for building a socially inclusive society is integral to a fair and equitable Australia as well as to our domestic stability and security.

1.2 What is social inclusion?

Saunders⁴ argues the idea of social inclusion/exclusion is multidimensional. This takes it beyond a traditional notion of poverty, that is, of simply assessing a lack of resources a person has compared to his/her needs. He argues that indicators for social exclusion can be developed which assist with measuring social inclusion. Ultimately measuring social inclusion allows targets and policy to be set by governments to reach goals for social inclusion.

Julia Gillard's speech of April 2007⁵ well describes the nature of social inclusion. She has argued that for a person to experience social inclusion they must:

- Be well placed to secure employment
- Know how to access needed services or how to find out
- Understand how to seek political or community change
- Be connected to others in life through family, friends, work, personal interests and local community
- Consequently have some resilience when faced with personal crisis such as ill health, bereavement or loss of job

Gillard points out that an agenda for social inclusion must exist at all stages of the life cycle. Further she suggests that government programs in support of social inclusion must recognise that the border between being disadvantaged and socially excluded is a porous border with that of being precariously socially included.

An approach to building social inclusion must include strategies for preventing social exclusion. For example, new release areas of cities with no social or community services or opportunities to connect with others will only serve to isolate individuals and families from a more vibrant and inclusive society.

These new communities need services like neighbourhood centres to ensure a point of social contact and support for isolated young parents. Building social inclusion also requires early intervention strategies, for example ensuring that new migrants have easy access to English language courses and opportunities to be involved in the local community.

A socially inclusive approach also needs crisis intervention strategies for assisting those in crisis such as when someone becomes homeless or a young person develops a drug addiction.

1.3 SACS work – the vehicle for delivering social inclusion

SACS work is where vital points of contact at all stages of intervention in building social inclusion takes place. We need to ensure the ongoing professional development of SACS workers if we are to have a highly skilled workforce. The services these workers deliver need to be properly funded by government in order to assist an agenda for social inclusion.

Looking more closely at a future agenda for a socially inclusive society, the SACS workforce is at the coalface of any future program. SACS workers are already working in many areas including:

- Employment services assisting unemployed people (including those who are long term unemployed) into training and placement through case management and support;
- Providing information and referral on how to access all service systems and advice on how to redress life crises and issues, for example, through neighbourhood centres;
- Family support, family day care and relationship services that help connect and re-connect families and communities through counselling, parenting supporting, child care, advice and one-to-one case work;
- Assisting parents with a child with a disability or someone who develops a disability as an adult in adjusting to or living a full life with a disability.

These examples encompass only a fraction of the scope of the SACS workforce; a workforce that has grown rapidly over the last 30 years with government support and funding and now exists in every town, community and city in Australia.

The SACS workforce now includes: neighbourhood centres; residential and community support for people with a disability; services for migrants; community legal centres; community care for the aged; aboriginal community services; family support services; family day care services; relationship services; community housing associations; services for unemployed people; crisis and medium term supported accommodation for the homeless; tenants advice services; out of home care services for children in the care of the state; youth services; meals on wheels; community transport; women's health centres; domestic violence support services; community-based sexual assault services; drug and alcohol services; mental health services; regional advocacy organisations; community arts organisations; environmental organisations; aid agencies; as well as associated research, policy development and advocacy workers.

This vast range of services in the non-government SACS industry confirms the industry's capacity to work along the full spectrum of a social inclusion program from working with those people excluded through poverty, to those excluded through disability or life circumstance such as family breakdown, to those not excluded at all but on the porous border of marginal social inclusion.

SACS work is where vital points of contact at all stages of intervention in building social inclusion takes place. We need to ensure the ongoing professional development of SACS workers if we are to have a highly skilled workforce. The services these workers deliver need to be properly funded by government in order to assist an agenda for social inclusion.

2. SACS workforce at a crossroads

2.1 Social inclusion agenda will demand a skilled and stable SACS workforce

“Contracting out” by all governments in the 1980s and 1990s led to a rapid expansion of the Australian SACS workforce. However in a recent South Australian report on SACS industry issues,⁶ Carson et al argue that there has been “insufficient attention to capacity building in the sector, and questions about resourcing and sustainability of agency and workforce development have been left unanswered. This constitutes a critical gap in knowledge since labour costs constitute over 70% of expenditure in the sector”.

This statement accurately reflects the state of play in the other States and Territories. Despite such a massive investment in growth in this single industry, what we know about workforce needs is fragmented and not all States and Territories have undertaken the necessary workforce planning to understand future needs. In addition the Federal Government has not undertaken this work nor played any role coordinating across the States and Territories, with the exception of the Community Services and Health Industry Skills Council.

Peak groups and employers in some States and Territories and within some industry sub-groups have attempted to address these workforce issues with government with varying degrees of success.

On the whole governments have neglected to take an organised and strategic approach with industry partners (peak groups, unions and employer groups) in ensuring that the SACS workforce is both large enough to meet demands for growing service provision and sufficiently educated, skilled and trained to deliver a consistent quality service.

An explicit social inclusion agenda by government makes the need for a cross-government and industry strategic approach to workforce issues all the more crucial and urgent. There must be a significant immediate workforce planning at all levels by all State/Territory and Federal governments.

SACS workforce issues identified in seminal reports like that of Carson’s and reinforced by this paper need urgent attention if we are to realise a socially inclusive Australian society.

2.2 Predictions for workforce demands

ABS data indicates that the community services workforce at 243,000 in 2004 had increased by 22.6% between 1999 and 2004, double that of the average of all occupations (10.5%)⁷.

State and Territory-based reports indicate growth in the SACS industry will continue as does industry predictive information from the Department of Employment and Workplace Relations⁸.

ABS data also confirms the continuing trend of a mainly female workforce (81%) of whom 45.8% work part-time⁹.

There are some limitations to predicting industry growth based on the ABS data, namely that the non-government SACS industry is included within the broader grouping of health and community services which also includes government services. Until such time as government agrees that there needs to be some separation of the data then this information is the best available.

An explicit social inclusion agenda by government makes the need for a cross-government and industry strategic approach to workforce issues all the more crucial and urgent. There must be a significant immediate workforce planning at all levels by all State/Territory and Federal governments.

2.3 The challenge of attracting and retaining staff

As Carson et al¹⁰ attest, about 70% of funding managed by South Australian non-government community services organisations is spent on wages for staff. In Western Australia, New South Wales and the ACT, governments fund non-government SACS organisations on an 80/20 model which recognises that about 80% of funding is spent of wages.

There is now a burgeoning list of reports¹¹ that highlight the key immediate problem facing the industry - that of massive turnover of staff with losses to the public and private sectors and failure of the industry to attract and retain a skilled workforce. The SACS industry is facing a major skills shortage.

The ASU's 2007 survey of workers and managers shows that rates of staff turnover in the industry are high. 52% of workers surveyed said that in five years time they either would not be working in the industry or were unsure if they would be working in the industry. 17% of managers said they expected over 50% of staff to turnover in the next two years and 43% expected turnover of 20-49%.

In ACOSS' 2007 survey¹², 58% of service organisations reported difficulty attracting appropriately qualified staff.

The ASU survey shows that 17% of managers have difficulties retaining staff "all of the time" and 68% "sometimes".

The current demand for service provision is not being matched by available, skilled staff. Rapid staff turnover heightens this problem and creates a less stable workforce. The future demands of a socially inclusive society cannot be met without a quality, skilled, stable SACS workforce.

"Overall, compared to the rewards on offer in other sectors and industries, (there are) low rewards for the multi skilled, quality staff who need to do shift work and work with very difficult clients."

Manager, Youth service, WA

3. A future quality and skilled SACS workforce

3.1 Wages and conditions

Results from the 2007 ASU survey show that low wages are the single biggest factor prompting a worker's decision to leave the industry. For workers who stated that in five years time they would no longer be working in the SACS industry, 40% said, "I can get paid more for similar work elsewhere".

The discrepancy in wages between work in the non-government SACS industry and the public sector is well known. For example in NSW a disability support worker in a government-run group home earns \$10-15,000 per annum more than a disability support worker in the non-government SACS industry. In Victoria, for example, family counsellors, community development workers and social workers in public health and local government earn \$10-20,000 per annum more than those doing similar work in the non-government SACS industry.

When asked to identify the condition that they don't have but would most value, workers identify higher rates of pay as the biggest single issue identified (39% of survey respondents).

Of the managers surveyed, 77% nominated low wages as the biggest barrier to attracting and retaining staff. 75% said low wages was the main reason staff gave for leaving the service.

"I have the opportunity to be employed at a similar level elsewhere at \$12,000 - \$20,000 more."

Direct service worker, Family support service, SA

"Level of Government funding restricts the kind of workers I can employ and the amount we pay."

Administrative worker, Mental health service, WA

81% of survey participants were women and this reflects the high proportion of women workers in the industry. A pay equity report released in September 2007 by the Queensland Industrial Relations Commission recommends the Queensland Government “support measures to establish pay equity benchmarks as the basis for funding the not-for-profit community sector and for purchased outsourced services”¹³ in recognition of the wage discrepancy existing for this female-dominated workforce. Pay equity for this growing workforce must be addressed if we are to prevent wage discrimination in one of the largest industries employing women. 65% of survey participants were over 40 years old reflecting an ageing workforce.

The ASU survey also highlights additional working conditions considered by workers as most valued if they were to have them. These are: paid parental leave; portability of long service leave; a less stressful work environment; additional staff to cover their workload; and more flexible working hours.

The lack of study leave in some awards and agreements continues to be a disincentive to education for many workers and many funded programs still do not provide for paid relief staff when staff are on leave, contributing to a stressful working environment.

As reports like that of Vinson's suggest, SACS workers are increasingly working in communities with complex socio-economic conditions. Many industry reports have also documented the increasing complexity of needs of clients (for example people with dual or multiple diagnoses or people with multiple problems or needs). The more demanding nature of the clients of services takes a toll on its workers and improving working conditions would contribute to retention in the industry. Additional annual leave or a shorter working week (currently most SACS industry awards contain a 38 hour week) would go some way to retaining and sustaining an increasingly overstretched workforce.

Some practices act as a major disincentive to staying in the industry - the “sleepover” was cited as one such condition, especially discouraging young workers. Sleepovers are used in 24-hour services where workers are paid (say) three hours pay or an allowance over an eight hour night time period on the understanding that there will be minimal work to be done on the shift and they will be predominately asleep during it. With an increasingly demanding client group, this is rarely the case.

Similar practices such as payment for only part of the time worked (for example on camps for young people) or time-off-in-lieu for time worked instead of overtime payment can also act as disincentives to work in the industry, particularly when high work loads prohibit the ability to take the accumulated time off.

In Victoria, a recent project which aims to retrain unemployed manufacturing workers to work in the SACS industry is reportedly having some difficulties as workers view the low wages and the expectation that unpaid work will be undertaken as unacceptable and vastly different from their previous work experiences.

“NGO community workers need to be paid similar to those working in government departments as we work harder and save the government lots of money by providing innovative support and services to the most marginalised groups within our communities. We work in high stress and often dangerous situations and should be paid accordingly.”

Direct service worker, Crisis and medium term supported accommodation service, NSW

3.2 Education and training

The ASU survey indicates that for those SACS workers with no qualifications, the biggest barriers to education were lack of time (indicated by 42% of workers) and high costs (27% of workers).

Increasing job insecurity created by short term funding contracts and a predominance of part time and casual work was identified as contributing to a reluctance to take up education by workers who bear the cost.

As the ASU Discussion Paper¹⁴ identifies, in 2000-01 employer-provided training expenditure per employee in the combined community services and health industries was less than the average of all industries. An Australian Capital Territory (ACT) SACS industry report¹⁵ highlights the disincentives for employers in training a largely part-time and casual workforce – it is costly, short term contracts do not allow for the expense, and high staff turnover does not allow for a training investment to be recouped.

The industry contains a number of experienced workers who have no formal qualification. These workers would benefit from VET programs that recognise prior learning in order to attain a relevant qualification. This would enhance career development prospects for these workers.

Higher wages and better working conditions will go a long way to attracting young workers to the industry. Apart from addressing these fundamental issues, programs for mentoring young workers in the industry that enable them to see the breadth of the industry and the possibilities for work within it would support retention. In NSW, there is a scheme that brings together young graduate teachers on a week-long visit to city and regional schools which aims to expose new workers to the range of work environments available and help build links between workers entering the industry. A similar program would be of value for graduates of social welfare and social work courses.

“I’m not sure if I’ll remain in the sector because there aren’t enough opportunities for training and therefore a pathway for career advancement.”

Admin worker, Community legal centres, TAS

3.3 An indigenous SACS workforce for the future

The ASU’s survey highlights an issue already widely identified by the industry – Australia does not have enough skilled indigenous workers to undertake the work done by the SACS industry to support social inclusion for indigenous people.

Managers who were responsible for delivering services to indigenous communities were asked to identify the main barriers to attracting and retaining indigenous workers. While the majority nominated difficulty attracting staff and difficulty finding staff with the right skills for the job, some managers also said that they couldn’t provide training to skill up indigenous workers to do the job, or that they could not provide culturally appropriate support to keep indigenous workers in the job.

Meagher and Healy¹⁶ argue that the rate of employment of indigenous staff has not kept pace with the growth in the non-residential community services sector, contrary to recommendations for the recruitment and retention of indigenous staff expressed in recent government reports on indigenous disadvantage.

Immediate investment in training and support is required in order to attract and retain an indigenous workforce. Specific suggestions include:

- greater funding for indigenous traineeship programs;
- a government-funded, industry-specific and indigenous-run organisation to help mentor and train new workers, direct worker to jobs available, enable workers to link up with each other for support;
- an advertising campaign aimed at potential indigenous workers with known indigenous community figures involved;
- a mentoring program between new and experienced indigenous workers across services;
- strategies for supporting isolated indigenous workers;
- cultural sensitivity training for the whole workplace before recruiting an indigenous worker;
- strategies for making the work environment supportive of indigenous workers.

“The workers in the indigenous sector are not recognised for their contributions and the political nature of the environment contributes to a high turn over.”

Direct service worker, Youth service, QLD

“Pay. Any Aboriginal person who is any good is offered higher wages in other positions, as there is strong competition for them.”

Manager, Drug and alcohol service, WA

3.4 Addressing issues for rural and remote communities

The ASU's survey indicates that the two main barriers for attracting and retaining rural/remote/regional staff identified by managers of these services were lower wages than city jobs (50%) and lack of training options in the region (46%).

A SACS industry report produced in NSW in 2006¹⁷ highlights the additional cost pressures faced by rural and remote services and heightened difficulties attracting and retaining staff. This is an all too familiar story for other States and Territories.

Investment in training and staffing support is required in order to recruit and retain a rural/remote/regional workforce. Specific suggestions include:

- subsidies to housing and expenses to acknowledge skill scarcity;
- schemes to attract workers like bonded educational scholarships;
- waiving HECS fees for workers in Rural, Remote and Regional areas for a certain amount of time and on specific courses to attract a future workforce;
- schemes to pool relief staff and share skills;
- schemes to support access to training including training in rural areas rather than city based;
- loading on funding contracts to recognise additional costs in transport and communications for services

3.5 Promoting the industry to future workers

For those workers committed to staying in the industry beyond five years (48% of ASU survey participants), the biggest single factor influencing their decision was that they believed in the work of the industry (nominated by 56%).

This value-oriented commitment is an obvious drawcard for many working in the industry and a promotional strategy based on altruism and similar values should be developed aimed at both young school leavers and those older workers looking to or forced to change careers. Such a promotional strategy needs to include public advertising as well as specific targeted programs, for example in schools.

3.6 Advocacy and social inclusion

Robust debate is critical to a functioning democracy. Gillard recognises that advocacy is fundamental to social inclusion when she includes understanding how to "seek political or community change" in her description of what it means be socially included.

The Howard Government has de-funded peak national groups in the SACS industry (such as National Shelter and the Australian Youth Policy and Action Coalition), excluded advocacy from functions of services in funding contracts (such as migrant support services), and a Draft Charities Bill in 2003 sought to ban charitable organisations from undertaking advocacy. While the Federal Government shelved the Bill, the Australian Taxation Office took up the intention and began using its administrative decisions to achieve the same ends. It is totally inappropriate in a democracy like Australia for the tax agency of government to be used as a tool to stifle advocacy.

Charitable and Public Benevolent Institution status for tax purposes has provided an important avenue for organisations to build a financial base to provide enhanced wages and working conditions to retain or attract skilled workers. Some organisations have never been able to access these tax concessions due to the narrow definition in current tax law (for example a number of Council of Social Service agencies).

"High cost of living associated with remote or regional Australia - rent food qualification not an expectation at application to position then presto the goal posts move!!"

Admin worker, Aboriginal community programs, QLD

"Remote work is difficult and has a high burnout rate due to the degree of difficulty in the region."

Admin worker, Aboriginal community programs, NT

3.7 Competitive tendering, funding and accountability requirements

The 1990s saw governments move to use competitive tendering approaches in the SACS industry. In 1996 the Howard Government contracted out the work of the Commonwealth Employment Service which together with the existing community-based labour market program for unemployed people became the Job Network.

State, Territory and Federal governments have all used competitive tendering principles to varying degrees and its impact is tangible in the area of workforce stability and security. Competitive tendering and other short term contract arrangements serve to promote job insecurity and pressure wages downward. Staff turnover becomes more evident in this environment as staff cannot see long-term career prospects for themselves. Services also report recruitment is much more difficult for short term positions.

In addition, ever increasing administrative and accountability requirements from funding bodies (with inadequate funding increases to meet these requirements) impacts on both time to provide actual services as well as increasing pressures on workers. This is reported by workers as creating an additional pressure to leave the industry – ‘why would you work harder with more demands from funding bodies and get paid less than a job in the public sector?’

Over the past eleven years, wage increases won on SACS industry awards across the country have seen equivalent increase to funding grants by some State and Territory governments. However the Federal Government has refused to fund increases on SACS industry awards that receive federal government funding grants. This has resulted in jobs and services lost.

3.8 Certainty in the industrial relations system

The use of the corporations power to legislate for industrial laws has created unprecedented disruption and widespread uncertainty for the non-government community sector. Both State and Federal governments have become increasingly reliant on the non-government sector for the delivery of essential community services and community based programs.

A unitary industrial relations system that relies on the corporations power alone cannot be achieved in this industry outside of the Territories and Victoria. Most community organisations are not constitutional corporations, a few are and many do not know and

cannot resolve this uncertainty without recourse to the High Court. This has split the industry by creating two dissonant sets of industrial regulation. What we need is a harmonisation of State and Federal industrial systems.

Workers in the industry are predominantly award reliant, there is an absence of or very little bargaining and the vast majority of services depend wholly on government funding for wages. One of the consequences of the WorkChoices legislation has been that organisations in the same State offering the same or similar services have unilaterally had the regulation of the terms and conditions of staff moved from one jurisdiction to another (State to Federal). These changes have had unacceptable consequences for services, for service delivery and for employers and employees. Not least of these consequences are differential pay rates and conditions of employment amongst those organisations that deliver exactly the same services. This has obvious implications for workforce supply and retention.

In addition, different rules within the industry impact on the industry’s overall ability to act as a coordinated group, thereby diluting the effectiveness of the industry as a whole.

“Funding, lost to bigger organisations who compete through tender and undercut local community organisations. We lose good staff. The bigger organisations win the contract and employ untrained staff on lower wages and service (quality) decreases.”

Community development worker, Regional org, NSW

“Biggest issue is temporary nature of government funding - short term contracts.”

Community development worker, Migrant service, VIC

4. The way forward

The ASU intends to engage governments and industry partners in discussion to address the issues outlined in this report that have now reached crisis point. Without significant industry reform in the area of workforce development any goals for achieving a socially inclusive society will be hampered; Australia will simply not have a SACS workforce that is large enough and sufficiently skilled to support the growing demand in service provision.

To this end, the ASU recommends the following:

Funding

- Increased funding for improved wages and conditions in order to attract and retain a future quality and skilled workforce while ensuring no less than all existing wages and conditions continue for the immediate future
- Revision of the competitive tendering model of funding
- Lengthening of funding rounds in order to provide workforce stability
- Adequate funding for current service provision and projected industry growth

Workforce development

- Development of a national workforce attraction and retention strategy
- Promotion of a highly skilled workforce through greater investment in education and training
- Development of career paths that recognise skills and experience as well as career structures which allow mobility of workers throughout the industry
- Strategies to address the shortage of indigenous workers to work with indigenous people
- Strategies to address the shortage of rural/remote/regional workers

Industrial relations

- Eliminate the confusion created by WorkChoices by ensuring that SACS awards are dealt with (at the State/Territory level) within a single industrial relations jurisdiction

Advocacy

- Recognition of the role of advocacy in the work of the non-government SACS industry in legislation, administrative instruments and in funding contracts.

Governmental and industry response

- A national roundtable be held in 2008 to discuss issues for the non-governmental SACS industry outlined in this report.

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Survey results

In 2007, between June and August, 2,188 SACS workers, both ASU members and others, participated in a survey. These are the results.

Demographics

Which of the job titles below best describes your current job?	
Direct service worker	44.39%
Community Development worker	16.74%
Policy worker	3.34%
Administrative worker	12.66%
Manager	22.87%

Please indicate the type of service you work in	
Neighbourhood centres	6.79%
Disability Service	13.67%
Migrant service	1.65%
Community Legal Centres	3.21%
Aged care service	4.71%
Aboriginal community programs	1.37%
Family support service	8.20%
Family Day Care service	1.08%
Relationship service	2.73%
Community housing	3.63%
Services for unemployed people	2.69%
Crisis & medium term supported accommodation	9.81%
Tenants advice service	0.99%
Out of home care service	2.59%
Youth service	8.72%
Meals on wheels	1.79%
Community transport	0.61%
Womens health centres	3.96%
Drug and alcohol service	2.69%
Mental health service	4.15%
HIV/AIDS service	1.13%
Regional organisation	3.35%
Environmental organisation	0.47%
Overseas Aid agency	1.04%
Peak group	8.96%

Is your job based in:

NSW	54.05%
ACT	4.44%
NT	3.35%
QLD	11.29%
SA	1.73%
TAS	3.29%
VIC	16.10%
WA	5.75%

Are you:

Female	80.62%
Male	19.38%

Are you:

Under 20 years old	0.26%
20-29 years old	13.75%
30-39 years old	21.25%
40-49 years old	33.39%
50+ years old	31.35%

Conditions valued most if available

Which of the conditions at work listed below would you most value if it were available to you (RANK in order of preference from 1 to 10; 1 being most important)

answer options	1	2	3	4	5	6	7	8	9	10
Ability to take your accumulated long service leave with me when I move to another service	12.4%	10.9%	10.5%	10.5%	11.4%	8.3%	9.2%	9.2%	9%	8.6%
Paid parental leave	10.8%	7.2%	6.9%	5.7%	7%	6.5%	6.4%	6.8%	10.5%	32.2%
Guaranteed minimum training provided by my employer	3.9%	6.9%	10.9%	11.5%	15.3%	14.4%	12.9%	11.2%	8.8%	4.2%
More superannuation provided by my employer	4.2%	9%	10.9%	13.6%	13.9%	13.1%	12.2%	10.1%	7.1%	5.7%
More flexible working hours	7.9%	9.7%	12.3%	11.1%	12.8%	11.9%	9.7%	11.2%	8.2%	5.2%
Being able to do part-time work if I wish	5.3%	8.7%	9.1%	8.7%	9.4%	11.5%	10.9%	12.5%	14%	9.8%
More opportunities to be promoted	5.1%	10.2%	10.7%	12.1%	9.3%	11.8%	13.1%	11.4%	9%	7.3%
Higher rates of pay	39.1%	14.9%	10.5%	6.8%	5%	4.7%	4.5%	3.7%	4%	6.8%
Less stressful work environment	9.5%	13.1%	10.2%	10.4%	9%	8.1%	11.5%	11%	11.4%	5.8%
Additional staff to cover my workload	9.1%	10.7%	10.1%	9.2%	8.4%	8.2%	7.9%	10.7%	13.6%	12%

Education

Do you have a relevant education qualification?	
Yes	84.82%
No	15.18%

If YES, is your qualification from

TAFE	29.67%
University	60.91%
Other (please specify)	9.42%

If you have NO qualifications, what prevents you from undertaking relevant study (RANK in order of importance from 1-7; 1 being the most important barrier)

answer options	1	2	3	4	5	6	7
No paid study leave provided by employer	18.7%	17.8%	13.7%	14.6%	10%	9.7%	15.6%
Cost of course	27.4%	19.5%	17.7%	11.6%	9.1%	7.9%	6.7%
Lack of time due to family responsibilities	16.1%	20.3%	19.3%	15.8%	8.2%	10.1%	10.1%
Lack of time as I work full time	26%	23%	17.4%	9.1%	7.4%	7.4%	9.7%
Can't find a course relevant to my work	4.2%	6.3%	9.2%	14.1%	25%	25.4%	15.8%
Lack of education centres in the area where I live/work	4.7%	9.8%	8.8%	18.3%	16.9%	25.8%	15.6%
I'm not required to have a qualification	18.3%	5.8%	11.6%	12.5%	17.4%	9.3%	25.1%

Future in the SACS sector

Do you intend to be working in the non-government social & community services sector in 5 years time?

Yes	47.73%
No	17.27%
Not sure	35.00%

If YES, select the reason which will most affect your decision to stay (select ONE only)

I enjoy the client contact I have	26.71%
I have good career development prospects	4.40%
I believe in the work of the non-government community services sector	56.39%
I get good money and conditions (ie. work benefits other than wages) for the work I do	5.92%

If NO, select the issue which will most affect your decision to leave (select ONE only)

I can get paid more for similar work elsewhere	39.78%
I do not have enough career opportunities in this sector	15.03%
I do not have enough opportunities for training	1.30%
I can get better conditions (ie. work benefits other than wages) at work elsewhere	11.78%
The nature of the work I do is difficult and/or risky	7.35%
I can only get part-time or casual work and I want permanent full time work	3.24%
I find it hard to move jobs from one area of the sector to another	2.38%

Questions answered only by managers or those involved in recruiting staff

Are you a manager or involved in recruiting staff?

Yes	37.43%
No	62.57%

In your experience what have been the main barriers to your attempts to recruit staff (select any number of options)

Low wages	76.71%
Inadequate conditions (ie.work benefits other than wages)	25.33%
Lack of career development opportunities	39.16%
Nature of the work is difficult and/or risky	33.92%
Training options are limited	14.26%
Lack of skilled staff in my geographic area	54.73%
Issues related to the flexibility of work hours	15.72%

What about retention of staff – do you have problems retaining good staff?

All the time	16.90%
Sometimes	68.45%
Never	14.65%

If you answered all the time or sometimes, please indicate reasons staff have given you for leaving (select any number of options)

Low wages	75.17%
Inadequate conditions (ie.work benefits other than wages)	25.70%
Lack of career development opportunities	55.24%
Nature of the work is difficult	43.18%
Long hours of work	16.96%
Training options are limited	14.86%

What percentage of staff do you expect to turnover in the next two (2) years?

Less than 20%	39.23%
20-49%	43.37%
50-74%	12.13%
More than 75%	5.28%

Indigenous SACS workforce

If your service delivers to Aboriginal or Torres Strait Islander people and if you have tried to recruit Aboriginal or Torres Strait Islander workers to your service, please indicate any barriers to recruiting or retaining these staff (select any options below)

Cannot attract Aboriginal or Torres Strait Islander workers to apply for jobs	56.56%
Cannot find Aboriginal or Torres Strait Islander workers with right skills for job	53.35%
Cannot provide training to skill Aboriginal or Torres Strait Islander workers for the job	11.66%
Cannot provide culturally appropriate support to keep Aboriginal or Torres Strait Islander people in the job	17.20%

Rural, regional and remote communities

If your service delivers to people in a rural/regional/remote area, please indicate barriers to recruiting or retaining these staff: (select any number of options)

Geographic isolation means staff will not come or stay in our service	42.27%
Wages we offer are less than those in city jobs	50.17%
We do not offer the same working conditions as city services	26.12%
Training is limited due to lack of options in our region	46.05%
We have no/little training budget to send staff out-of-area to training	45.02%
Staff in our service have no/few opportunities to work with other services due to isolation	24.40%
Inadequate public transport	33.33%



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