FACT SHEET

# The SCHADS Award gender-based undervaluation decision

## Background

The Fair Work Commission has found that several classifications in the Social, Community, Home Care and Disability Services Industry Award 2010 (SCHADS Award) have been undervalued for reasons related to gender, and that the award's classification system is no longer fit for purpose. It has reset minimum wage rates and replaced the award's separate classification schedules with a single, ten-level structure based on qualifications and experience. Home care disability employees receive an interim increase from 1 October 2026; the new structure commences for everyone else from 1 October 2027. This fact sheet explains what was decided, what it changes, and its likely cost.

It is general information, not legal advice.

## 1. The Decision

The decision comes out of the Commission's Gender-based undervaluation – priority awards review, a program established through the 2023–24 Annual Wage Review to address gender-based undervaluation in a first group of five priority awards. The SCHADS Award is one of the five, alongside the Children's Services Award, the Health Professionals and Support Services Award, the Pharmacy Industry Award, and the Aboriginal and Torres Strait Islander Health Workers award.

The review rests on the Fair Work Legislation Amendment (Secure Jobs, Better Pay) Act 2022, which amended the Fair Work Act 2009 (Cth) to make gender equality an object of the Act, to write the elimination of gender-based undervaluation into the modern awards and minimum wages objectives. The Commission's assessment of work value is therefore to be "free of assumptions based on gender" and consider "whether historically the work has been undervalued because of assumptions based on gender" (s.157). The same Act established the Expert Panel for pay equity in the Care and Community Sector, which made this decision. It produced:

- [2025] FWCFB 74 (16 April 2025) : the initial decision, which made the undervaluation findings and set out provisional views on remedy;

- [2026] FWCFB 137 (1 June 2026) : the final decision, with draft determinations giving effect to it — one for the new structure (from 1 October 2027) and one for the Schedule E interim increase (from 1 October 2026).

Schedule E interim increase (from 1 October 2026).

## 2. Commission's findings

On value, the Panel was satisfied that the minimum rates for social and community services (SACS) employees, crisis accommodation employees, and home care employees engaged in disability care did not properly reflect the value of the work performed, and that this was so for reasons related to gender. These occupations were selected for the review because the Commission's research identified them as large, highly feminised occupations in industries with more than 10,000 workers, noting over 80% of them women. The Panel gave weight to the "invisible" skills involved in caring work and to benchmarking the rates against the qualifications the work requires the reasoning that underpins the move to a qualification-based structure.

On structure, the Panel found the existing system separates schedules paying different rates for work of comparable value, with descriptors that were difficult to apply, was not fit for purpose and had produced widespread misclassification. It accepted that there is an equivalence of work value across the direct care functions in the award, which is the basis for a single structure.

## 3. Changes to the award structure

The draft determination replaces the separate classification schedules with one integrated structure:

- Schedules B, C, E and F are replaced by a single new Schedule A – Classification Definitions. These cover:
- social and community services employees (B),
- Crisis accommodation employees (C),
- Home care employees, disability care (E), and
- Home care employees – aged care (F).

All are translated into the new structure, with minimum rates reset.

Family day care employees are retained in the award, renumbered from Schedule D to Schedule C, and keep their own separate classifications and rates. They are not translated into the new structure. (The April 2025 decision had provisionally raised moving them to another award; the final determination does not do so.)

The Equal Remuneration Order [PR525485], which adds a pay increment for SACS and crisis accommodation employees, is revoked when the new structure commences. Its value is preserved through pay protection rather than applied on top of the new rates.

The new Schedule A has ten levels. An employee's level is set by the type of work and the qualification the role requires, rather than by which schedule they previously sat in.

### In summary:

**Levels 1–2** administrative and operational support, and entry-level care and home care roles;

**Level 3** Certificate III or equivalent (base for much direct support work);

**Level 4** Certificate IV or equivalent;

**Level 5** Diploma or equivalent, and supervisory roles as well as the minimum entry point for the new Casewor

ker/Practitioner classification;

**Level 6** undergraduate degree or equivalent, including degree-qualified caseworkers;

**Levels 7–8** advanced specialist and post-graduate roles (for example family and domestic violence and

specialist caseworkers);

**Levels 9–10** expert practitioners, managers and senior management.

Equivalent experience and lived experience are formally recognised alongside qualifications. Employees progress to the next pay point after twelve months' service, subject to demonstrated competency and satisfactory performance. The decision also introduces a defined Caseworker/Practitioner role covering fields such as community mental health, alcohol and other drugs, out-of-home care, refuge, youth, homelessness, and domestic and family violence services.

## 4. Minimum rates

The new minimum weekly and hourly rates currently set out for the ten-level structure, in the draft determination, are:

| Level | $/week | $/hour | Level | $/week | $/hour |
|---|---|---|---|---|---|
| Level 1.1 | 999.40 | 26.30 | Level 6.4 | 1,783.20 | 46.93 |
| Level 1.2 | 1,031.60 | 27.15 | Level 6.5 | 1,822.90 | 47.97 |
| Level 2.1 | 1,182.80 | 31.13 | Level 7.1 | 1,938.10 | 51.00 |
| Level 2.2 | 1,248.50 | 32.86 | Level 7.2 | 1,979.90 | 52.10 |
| Level 3.1 | 1,314.20 | 34.58 | Level 7.3 | 2,026.00 | 53.32 |
| Level 3.2 | 1,366.80 | 35.97 | Level 8.1 | 2,117.50 | 55.72 |
| Level 3.3 | 1,419.40 | 37.35 | Level 8.2 | 2,164.30 | 56.96 |
| Level 4.1 | 1,433.80 | 37.73 | Level 8.3 | 2,211.20 | 58.19 |
| Level 5.1 | 1,472.00 | 38.74 | Level 9.1 | 2,290.20 | 60.27 |
| Level 5.2 | 1,511.10 | 39.77 | Level 9.2 | 2,338.30 | 61.53 |
| Level 5.3 | 1,543.40 | 40.62 | Level 9.3 | 2,385.90 | 62.79 |
| Level 5.4 | 1,575.10 | 41.45 | Level 10.1 | 2,484.70 | 65.39 |
| Level 6.1 | 1,579.30 | 41.56 | Level 10.2 | 2,533.60 | 66.67 |
| Level 6.2 | 1,610.50 | 42.38 | Level 10.3 | 2,582.60 | 67.96 |
| Level 6.3 | 1,719.30 | 45.24 | | | |

The draft determination contains translation tables that map every current classification and pay point to a level in the new structure. Translation involves assessing the work performed and the employee's qualification or equivalent experience, so two employees on the same current level can translate to different new levels.

The effect on pay is not uniform because classifications are re-based on qualifications, the largest increases go to employees whose qualifications were not previously recognised, and to home care disability employees; many other translations are close to rate-neutral, and pay protection ensures no existing employees' rates are reduced. Pay protection applies where a translated rate would be lower, the current rate is retained, so no existing employee rates fall. The change an individual sees depends on the qualification held and the pay point reached.

On commencement, an employee's minimum rate is the higher of the rate for their translated classification and the rate they were on immediately before (including the Equal Remuneration Order where it applied). Because this is a restructure rather than a single percentage rise, the effect differs by role. The translation tables produced by the Fair Work Commission show the largest movements for degree-qualified community services workers (many move to Level 6) and for disability support workers (who typically move up one or two levels), while some other classifications are broadly unchanged.

**Two components are relevant to timing:**

- Schedule E interim increase. Home care employees engaged in disability care receive an interim increase of approximately 15% from 1 October 2026 (two classifications set at 14.96% and 13.31%), ahead of the wider changes. This group did not previously attract the Equal Remuneration Order that applied to comparable work.

- The wider reset. From 1 October 2027 all remaining employees translate to the new structure and rates. Because of pay protection, no existing employee's rate falls; the increases are concentrated in the roles identified above.

The determinations are in draft. The Schedule E interim rate was issued as a provisional view subject to submissions. A separate work value application by the Australian Services Union is before the Commission and could affect the structure, rates or timing. Final award variations are expected to be published during 2026.