STATE OF THE SECTOR

2025

Queensland community service sector

Released March 2026

ABOUT QCOSS

QCOSS (Queensland Council of Social Service) is Queensland's peak body for the community service sector.

Our vision is to achieve equality, opportunity and wellbeing for every person, in every community. Our values are optimism, strength and respect.

We bring people together to help solve the big social issues faced by people in Queensland, building strength in numbers to amplify our voice.

We're committed to self-determination and opportunity for Aboriginal and Torres Strait Islander people.

QCOSS is part of the national network of Councils of Social Service lending support and gaining essential insight to national and other state issues.

QCOSS is supported by the vice-regal patronage of Her Excellency the Honourable Dr Jeanette Young AC PSM, Governor of Queensland.

QCOSS acknowledges Aboriginal and Torres Strait Islander people as the original inhabitants of Australia and recognises these unique cultures as part of the cultural heritage of all Australians. We pay respect to the Elders of this land; past and present.

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EXECUTIVE SUMMARY

Community services are the cornerstone of every Queensland community.

The community services sector is filled with people who work tirelessly to make a difference and believe in the collective effort of addressing disadvantage. Their crucial work is often unseen. They are deeply committed to positive change and equality, opportunity and wellbeing for everyone in Queensland.

In mid-2025, QCOSS held Town Hall meetings in seven regional cities and in South East Queensland to hear directly from frontline workers, community sector leaders and volunteers who keep our sector going. We analysed what we heard at the Town Halls with the data from our annual Community Sector Survey, collating their feedback to provide an overview of emerging and growing challenges for the sector.

ONLY 9% OF SERVICE PROVIDERS REPORTED ALWAYS BEING ABLE TO MEET THE DEMAND FOR THEIR SERVICES

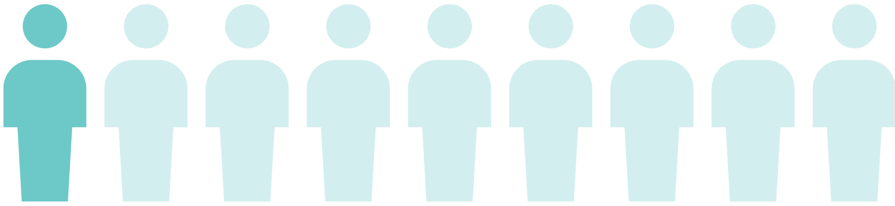
81% REPORTED SUBSTANTIAL INCREASE OF DEMAND OVER THE LAST TWELVE MONTHS.

OVER 80% OF SERVICE PROVIDERS REPORT THAT THE MAIN GOVERNMENT FUNDING STREAMS THEY RECEIVE CONSISTENTLY FAILED TO COVER:

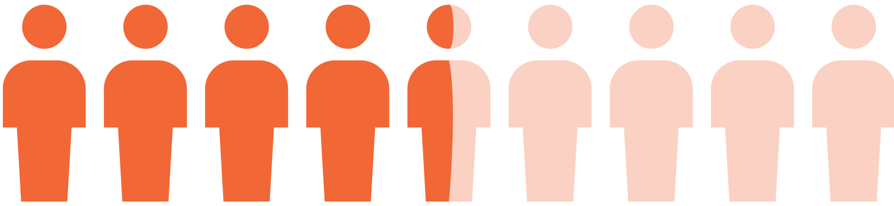
- Basic overheads like administrative and IT systems
- Monitoring and evaluation of existing services
- The cost of genuinely involving consumers or people with lived experience
- Preparing for and responding to emergencies and disasters
- Covering increases in wage costs including superannuation

THESE RESULTS SHOW A SECTOR IN NEED OF SUPPORT

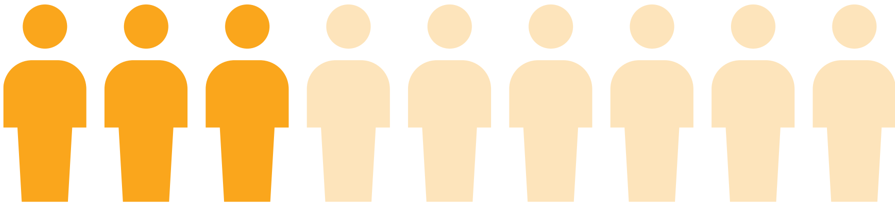
IF NOT FOR THE RESILIENCE, STRENGTH AND COMMITMENT OF OUR SECTOR'S WORKERS MANY QUEENSLANDERS WOULD GO WITHOUT THE HELP THEY NEED



ONE IN EVERY NINE SECTOR WORKERS REPORTED THAT THEY DO NOT PLAN TO BE WORKING IN THE SECTOR IN ONE YEAR'S TIME.



HALF IDENTIFIED STRESS AND BURNOUT



A THIRD IDENTIFIED A FAILURE TO SECURE LONG-TERM OUTCOMES FOR SERVICE USERS AS KEY REASONS FOR LEAVING.

The difficulty in achieving outcomes is a recurring theme, with infrastructure bottlenecks – particularly in housing – being a major contributing cause. Service providers are reporting more service users staying in crisis accommodation as a long-term solution due to Queensland's social housing shortage, with two thirds of all service providers now providing some kind of housing and homelessness support no matter what sector they work in.

These key observations from frontline workers are why this year's State of the Sector report focuses on **supporting the sector in the face of increasing workforce challenges and** the need for **adequate housing supply**.

The sector continues to experience unprecedented levels of demand and complexity of need, as well as difficulties recruiting and retaining staff, low wages for skilled work and rising service delivery costs. The sector needs improved procurement practices, strong organisational responses to workplace stress and burnout, and ongoing opportunities for career progression and professional development.

IT'S MORE URGENT THAN EVER THAT THE QUEENSLAND GOVERNMENT:

1. **Develops a community services workforce strategy that**
   a. improves career pathways from tertiary education,
   b. supports staff retention by improving opportunities for career progression, professional development and workforce wellbeing,
   c. ensures skills and qualifications are adequate and aligned to the practical needs of the community sector, including support for the development of managers and leaders, and
   d. builds human resource capability across community organisations to improve their ability to plan for their future workforce needs.

2. **Urgently implements the new community service procurement principles that**
   a. ensure contracts default to five-year initial terms
   b. provide six months' written notice before contracts cease, are not renewed or are substantially reduced
   c. offer renewals more than three months before the previous contract's end date
   d. provide appropriate 'wind down' periods at the end of each contract
   e. prioritise permanent employment and entitlements for workers
   f. ensure workers are appropriately classified and receive training within safe working models
   g. embed and implement localised approaches in contracts
   h. streamline multiple contracts and progress toward centralised contract management by a lead government agency, and
   i. index contracts' payments in accordance with government policy.

3. **Accelerates the delivery of more social and affordable housing supply through**
   a. increasing investment in social housing projects for communities with the greatest need
   b. providing clear targets for social and affordable housing in planning mechanisms
   c. funding a review of procurement processes to foster great partnerships and collaboration between the Queensland Government, community housing providers, service delivery organisations and developers.

Without these changes, Queensland's community sector will not be able to get on with our core business of:

- **alleviating the housing and cost-of-living crises,**
- **assisting every victim of crime who calls for help,**
- **providing equitable access to universal health and education, and**
- **ensuring that every Queenslander can live above the poverty line.**

METHODOLOGY

Qualitative and quantitative data for this report was obtained from engagements QCOSS led with the sector in 2025. This included:

QCOSS TOWN HALLS

The QCOSS Town Halls took place as face-to-face consultations between May and July 2025 in:

- Moreton Bay
- Toowoomba
- Logan
- Cairns
- Mackay
- Mount Isa
- Townsville
- Brisbane
- Gympie

A total of 264 community sector representatives participated, with 70 per cent of attendees living and working in regional areas. Participating organisations represented a diverse range of service delivery types, including neighbourhood centres; housing, domestic, family and sexual violence services; Aboriginal and Torres Strait Islander community-controlled organisations; child, family, and youth programs; ageing and disability supports; and community development programs.

Discussions were facilitated by QCOSS staff, focussing on sector workforce skills and training needs, as well as identifying issues impacting on service users, frontline workers and community organisations. Participants at each Town Hall were first asked to nominate issues impacting their local communities and their ability to deliver services in the past twelve months. Following this, participants divided into small groups to examine issues related to the sector's workforce skills and training needs, specifically considering:

1. Recent entrant worker needs
2. Regional skills and training gaps
3. Vocational, education and training (VET) qualifications and pathways

These activities led into small group discussions to determine which identified issues occurred across organisations. Notes collected from the workshops were collated and themed for this report.

QCOSS COMMUNITY SECTOR SURVEY

The 2025 QCOSS Community Sector Survey was open for responses for a seven-week period from 3 April 2025. 932 community sector employees, leaders and volunteers responded:

53 per cent of respondents to the survey worked in South East Queensland: 27 per cent in Brisbane; 5 per cent each in Gold Coast, Ipswich, Moreton Bay and Sunshine Coast; and 4 per cent in Logan-Beaudesert. Redlands, Lockyer Valley, Scenic Rim and Somerset comprised a small percentage of survey responses (2 per cent), while a plurality worked in regional Queensland, including Central Queensland (9 per cent), Cairns (7 per cent), Townsville (4 per cent), Toowoomba (5 per cent) and Wide Bay (5 per cent). 5 per cent indicated their organisation operated Queensland-wide.

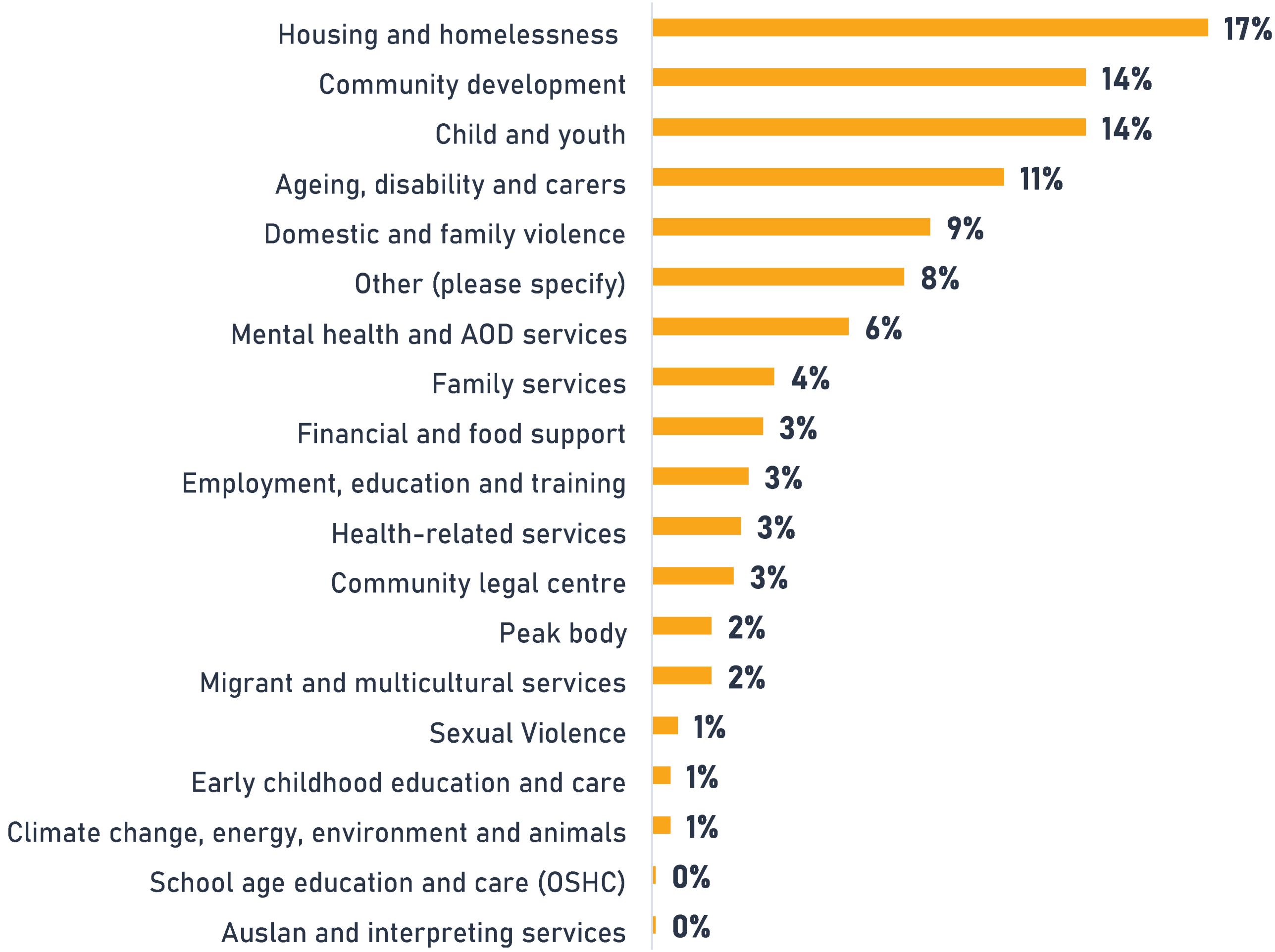
A total of 8 per cent of respondents worked for Aboriginal and Torres Strait Islander community-controlled organisations (CCOs).

Respondents represented a wide range of organisations with diverse service delivery areas (Figure 1).

The top three services types related to:

- **housing and homeless**
  (including social housing, refuge, housing or tenancy advice and support, and homelessness services)
- **community development**
  (including volunteering programs and neighbourhood and community centres)
- **children and young people**
  (including early childhood early education, child welfare, out-of-home care, and youth services).

Figure 1:
Main service type of survey respondents



Housing and homelessness
(incl. social housing, housing or tenancy advice and support, homelessness service)

Community development
(incl. volunteering, neighbourhood centres)

Child and youth
(incl. child welfare, OOHC)

Ageing, disability and carers
(incl. home care, residential care, community access, transport support, carer support)

Family services
(incl. relationship counselling, parenting education)

Financial and food support
(incl. Emergency relief, financial counselling, no interest loans)

Employment, education and training
(incl. jobseeker services, VET services, literacy, ESL services, support for school education)

Health-related services
(incl. health promotion, community health, sexual health, palliative supports)

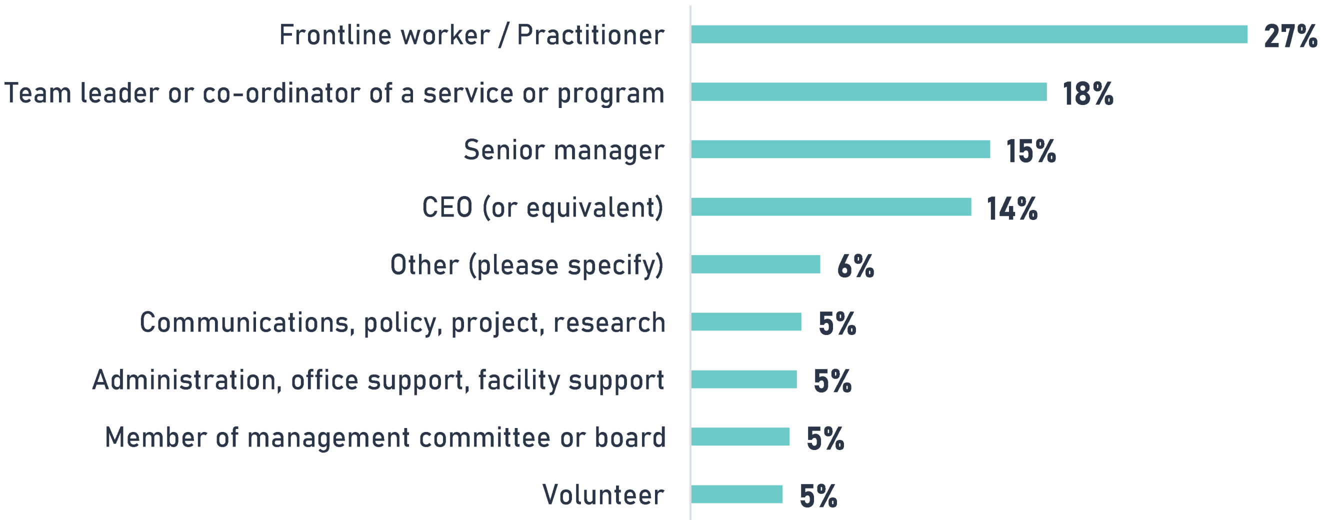
Migrant and multicultural services
(incl. Asylum seeker, refugee, settlement services and other multicultural services and migrant supports)

Queensland respondents worked in organisations of various sizes, from “very small” to “extra large” (Figure 2).

Figure 2:
Approximately what size is your organisation?

Of the 861 survey respondents who answered the question ‘Which of these is your main role in the community sector?’, 14 per cent were CEOs and 15 per cent were senior managers (Figure 3). Almost a third of survey respondents (27 per cent) were frontline workers or practitioners, and a further 18 per cent were team leaders or co-ordinators of a service or program. The sample included people working in administration (5 per cent); volunteers (5 per cent); people working in communications, policy, projects or research (5 per cent); board or management committee members (5 per cent); and 6 per cent who identified their position as “other.”

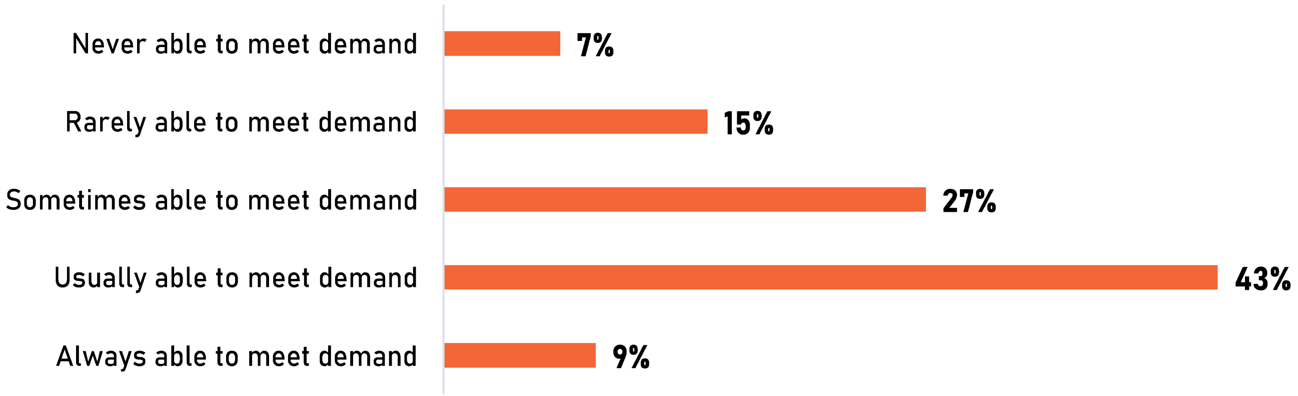
Figure 3:
Which of these is your main role in the community sector



COMMUNITY NEED AND SERVICE DEMAND

The significant unmet demand for community services in Queensland was a common theme. **Only 9 per cent reported that their service was always able to meet demand** (Figure 4).

Figure 4:
Which statement reflects the ability of your service to meet demand in the past six months?



Increasing need impacting service delivery

Survey respondents indicated there was an increased level of need in their communities, presenting in several different ways, all of which were impacting on their operations:

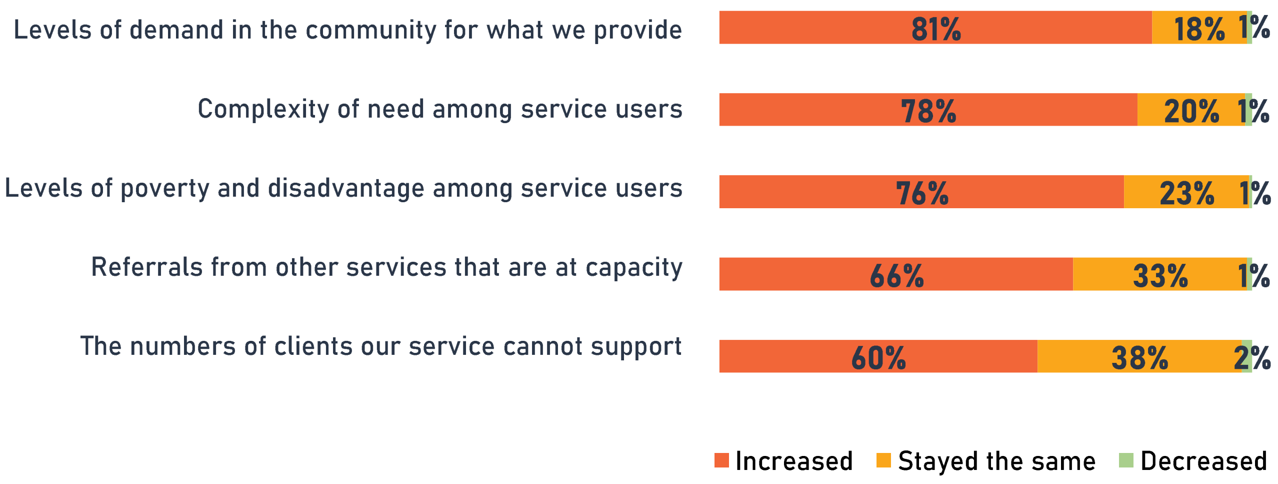
> *"Our organisation needs more staff to be able to meet the unmet need and demand in the area. Our staff have complex cases and are working beyond capacity daily."*

> *"There are always wait lists and like all community services the demand is overwhelming."*

> *"Our organisation has at times buck[l]ed under the pressure due to not enough staff to meet demand. I have worked here 4 years. I feel the demand has doubled, if not tripled in that time."*

81 per cent reported an increase in levels of demand for their service or organisation (Figure 5). 60 per cent of respondents noted that the number of clients their organisation cannot support had increased.

Figure 5:
Thinking about the main service, program or community you're involved with. In the previous 6-months, would you say these things increased, decreased or stayed the same?



Sector workers also indicated that increasing community need resulted in their organisations' receiving an influx of referrals from other organisations at capacity.

66 per cent stated that the number of referrals received from other organisations at capacity had increased in comparison to the previous six months. Further, many reported being unable to assist people who present to them in need of assistance at least some of the time.

"We are bombarded with referrals and unfortunately, we also referred clients to other services to offload our waitlists. The issue with this is that clients ended up being passed around and not get the help that they need."

"We are hugely under resourced, and the levels of need are hugely more and more each day. It is overwhelming and saddening that we have to turn people away due to lack of resources."

"There are only 2 SHS services in [regional Queensland city] which have brokerage. One of these services have implemented processes that limit the number of clients they see per day, resulting in an overflow to the other service. The other service, which I work at, as a result experiences demand, escalations and abuse from clients due to not being able to meet the demand."

"We are constantly turning people away due to [our] program being at capacity."

Survey respondents and Town Hall participants reflected on the impact such significant increases in community demand were having on service users and the detrimental effects on outcomes:

"We provide early intervention [to prevent] into homelessness. When we have high demand and are unable to provide support in a timely manner, people's housing situation deteriorates. A tenancy that may have been salvageable with advocacy, financial support and ongoing Case Management can become unsustainable in the time that people are waiting for an Intake assessment."

Housing insecurity and its impact on community need

Housing insecurity remains a key issue sector workers raise with QCOSS, both for the people they serve and for workers themselves.

Housing insecurity was the most pressing issue raised by Town Hall participants and identified as the main issue impacting their communities and their organisations' ability to deliver services. The lack of social and affordable housing leaves many households with very limited or no access to affordable and secure housing options, and survey participants noted that housing stress was impacting service users' needs in other areas:

> *"Without stable accommodation it is difficult to engage clients in other areas - employment, social activities, obtaining a loan is almost impossible."*

They also reported that crisis accommodation is increasingly being used as a long-term solution due to the shortage of social housing in Queensland:

> *"Our service [emergency accommodation in a rural area of Queensland] capably meets most crisis housing needs in the community however some tenants become long term because there is no other housing for them to access."*

The housing crisis affects all community organisations – not just those funded to provide housing support services. 65 per cent of survey respondents reported that their organisations support service users to access housing, while just 17 per cent of respondents identified housing and homelessness as their main service type.

> *"We are seeing increasing numbers of clients seeking assistance with housing and cost of living pressures. This is challenging for us as our primary role is health care delivery."*

The lack of adequate social and affordable housing supply is consistent with findings outlined in QCOSS' Living Affordability in Queensland 2025 report[i], which found that housing was the highest proportional cost for all modelled households, with some spending up to 49 per cent of their income on rent. The Queensland Social Housing Register has climbed to a staggering level, with 31,496 eligible households and 56,719, people waiting for social housing.[ii] The very low income level required for eligibility for social housing, in combination with critically low rental vacancy rates (an average of just 1 per cent across Queensland), is adding to housing stress across the state.[iii]

Relatedly, in Town Halls held outside of South East Queensland, limited transport from homes to services was consistently raised. This was also highlighted by survey participants,

> *"We are in a smaller regional town, with limited services and even more limited transport options. It is difficult to even provided a supported/warm referral if accessing transport is the initial barrier."*

Complexity of need amongst service users

76 per cent of survey respondents reported an increase in complexity of need among service users, while 78 per cent reported an observed increase in the level of poverty and disadvantage among service, users compared to the previous six months (Figure 5). This complexity of need is directly impacting organisations' ability to meet demand.

With more co-occurring needs, service users are requiring support for longer, which increases wait times for others. Workers reported having to triage service users, so that those with the most urgent needs or presenting in crisis were prioritised; others reported having to reduce the time spent with service users in order to assist as many people as possible.

"The increase in demand has meant we are only seeing the highest risk clients at the moment. As a case management service wait times for referrals and housing are lengthy and often not resolved for the clients. Cost of living pressures are having a huge impact."

"Increased demand across our region has placed significant pressure on our organisation's capacity to meet community need. While we continue to prioritise holistic, person-centred support, the growing volume and complexity of referrals — particularly in areas such as housing instability, mental health, and youth justice diversion — have required us to implement access limits. For example, case management is currently capped at 12 weeks per individual, which can be insufficient for those with high or ongoing support needs. This time-bound delivery model, while necessary to maintain service flow, limits our ability to offer longer-term, stabilising support and often results in repeated re-engagement with the system."

"The complexity and number of referrals continues to increase year after year. We are primarily in the child protection space and the demand is ever increasing. More than 80% of our referrals include domestic violence as one of the presenting factors."

"We are consistently unable to meet demand and have seen an increase in complexity with a wider range of issues. We are also consistently under-servicing clients due to the demand, where in the past we were able to provide more people with follow up advice and assistance along the way. One-off advice is becoming more necessary reducing the likelihood of good outcomes for people."

National Disability Insurance Scheme changes affecting service users and the sustainability of organisations

Challenges providing services under the National Disability Insurance Scheme (NDIS) were raised repeatedly in each Town Hall and throughout the Community Sector Survey. Participants discussed the difficulties that the NDIS poses for both their organisations and their service users, including that:

- Changes to the NDIS Act in the last year have resulted in an observed increase in the number of NDIS participants having their plans cut and being found ineligible for the scheme
- NDIS pricing arrangements do not realistically assess the administrative costs for not-for-profit organisations
- Price setting loading for regional, rural and remote parts of the state, which only apply to some services, do not adequately cover costs
- For-profit providers were seen to be undermining the integrity of the scheme and damaging the reputation of all disability support providers by providing inadequate services which resulted in poor client outcomes.

These challenges have led to community organisations running deficits in their NDIS programs, as they try to provide services to assist people with disabilities where those people are either not adequately funded for a particular support or not receiving NDIS funding at all.

Other NDIS-related responses raised questions about the sustainability of operations and whether they can meet community needs:

"Service providers are at a loss with the duty of care to not neglect clients, but the NDIS are neglecting them and funds [are] being reduced without being reviewed."

"Governments have to provide for a realistic assessment of administrative costs if they want not-for-profit associations to provide services that were previously provided by governments. Such as NDIS."

"There should be better allowances in pricing of the NDIS, or state support, in the provisions of services to regional and remote clients. Not all states have the geographical or population barriers, and the system should better reflect higher wages for retention, but also provision for training to this workforce so we can continue to provide safe, quality and client centred supports - and meet the regulatory requirements that are the same wherever services are being provided."

"Every year since 2017, when Queensland Government Disability Services Block Funding ceased and we began delivering services under the NDIS, the organisation has operated with deficit budgets every year. Had it not been for one-off windfalls e.g. bequests, short-term sustainability funding, the organisation would have exhausted its equity and been forced to close (or return to an entirely voluntary run organisation, offering limited services

WORKFORCE CAPACITY

The increasing demand on services is creating additional workforce challenges for community organisations.

In Queensland, there are 7,489 charities, with 192,768 employees and an estimated 432,869 volunteers[iv] - more than one in every ten Queenslanders.

Issues impacting service delivery in the past 12 months were consistently reported across the state: Regardless of location, participants highlighted:

- recruitment and retention difficulties,
- staff facing emotional burnout,
- volunteer shortages, and
- difficulties maintaining adequate skill levels in the workforce.

Town Hall participants and survey respondents identified these issues as interconnected and often exacerbated by increasing demand.

Recruitment, retention and workforce skills

Recruitment and retention were persistent themes at the Town Halls, particularly at events held in regional areas, while 49 per cent of senior managers and CEOs surveyed stated that it had become more difficult to attract and retain staff in the past year. In some regional communities, jobs regularly go unfilled for more than six months. One survey respondent with experience across regions reflected on the ways that recruitment and retention challenges were often felt more acutely in non-metro areas:

"In regional and remote areas, we struggle to recruit support workers, and therefore meet the requested support hours of some clients."

"We find it much harder to attract or recruit into our more regional office (Logan local government area, hardly remote) and location can sometimes impact retention. Housing affordability is an issue for our staff as well as our clients."

"It is becoming increasingly difficult to compete with the education and health sectors."

Many sector leaders indicated that high demand, increasing complexity of need and uncompetitive remuneration is pushing their staff towards roles within the public service, which provides better remuneration and more attractive employment conditions:

"We are now attracting staff with less experience in the workforce, as those with significant experience are often attracted to higher paying roles (such as within Queensland Health)."

Frontline staff reflected this:

"SCHADS is a poor award for professionals, with pay levels far behind government public servants. Pay inequities for same job or skills due to different funding agreement within organisation."

"I've just had a baby and the parental leave available is very poor at 6 weeks full-pay. I had to go back to work when my baby was 5 months. I would have had 4 months full pay in a previous Federal Government position. My husband works in retail and he got 3 months at full pay as the non-birthing parent. The parental leave condition as it is seems completely out of step with what our legal centre is all about, which is helping people. It also seems out of step with where society has gone in this area and with what other employers are offering."

This trend is not unique to Queensland. Analysis from the Western Australian Council of Social Service (WACOSS), in *Stronger Together: Gender Equity in the WA community Service Sector*, found that workers in the sector earn up to 17 per cent less than those in equivalent public sector roles, despite comparable qualifications and responsibilities.[v]

When asked where they plan to be working 12 months from now, 11 per cent of respondents reported that they do not plan to be working in the sector, are planning to leave the sector workforce, or are planning to retire. This is a significant portion of the workforce, particularly given that almost half the senior leaders reported that recruitment and retention is increasingly difficult.

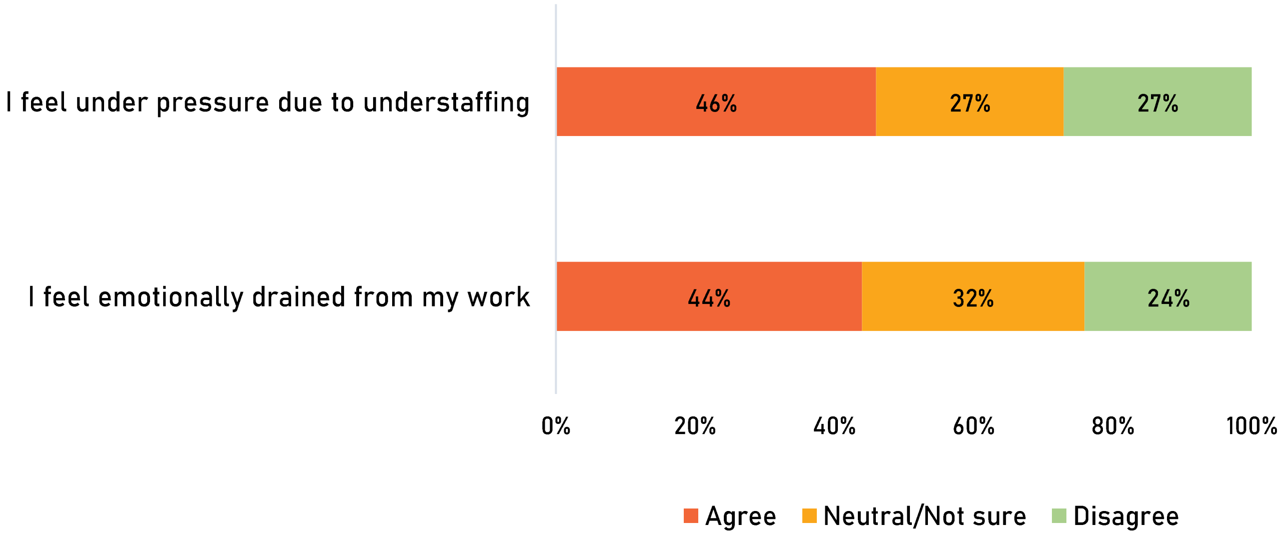
When asked about their main reasons for considering leaving the sector, almost half (47 per cent) identified stress and burnout as a chief factor. Many also nominated a lack of outcomes achieved for service users (31 per cent), while one in five identified low remuneration or limited career progression:

"There aren't the structures for career advancement. Staff need to move to Queensland Government jobs for advancement."

Workforce wellbeing

Workforce challenges exacerbate the stress workers experience. Just under half the survey respondents (46 per cent) stated that they felt pressure due to understaffing, while 44 per cent agreed they felt emotionally drained from their work (Figure 7).

Figure 7:
How strongly do you agree with the following statements?



These findings were consistent with Town Hall discussions across the state and survey comments from CEOs, senior managers and team leaders.

> *"We are… seeing greater levels of staffing stress and burnout, and recognise that staff are also experiencing the stressors of cost of living, etc."*

> *"The need for DFV practitioners has increase[d] and we have not been able to recruit any further staff members due to funding. This means our team can at times burnout."*

> *"The increased cost of living and ensuing increased demand for service has impacted staff psychological safety and stress due to pressures to meet demand and empathy/guilt when unable to do so."*

Despite these observed rates of stress within the workforce, a majority of sector workers identified positive aspects of their work lives, including:

- Feeling safe at work (72 per cent)
- Their organisations having good systems in place to prevent harm to workers (60 per cent agreed)
- Receiving the professional learning and development they need (60 per cent).

Half of respondents agreed that they receive decent pay for the work they do and that their working arrangements feel secure (50 per cent)

Responses to workforce shortages

44 per cent of CEOs and senior leaders responding to the survey said they were 'not sufficiently equipped' or were 'not equipped at all' to address the industry's workforce shortage (56 per cent stated they were either 'equipped' or 'well equipped'). When asked what aspects of workforce development and strategy their organisation would be interested in:

- 78 per cent were interested in increased staffing budgets in service agreements
- 43 per cent were interested in refining their human resources capability (e.g. improving staff retention strategies)
- 41 per cent were interested in place-based workforce planning strategies.

When asked what they thought could reduce workforce shortages, CEOs and senior managers identified:

- Higher remuneration (67 per cent)
- Better enabling career progression (61 per cent)
- Sector-wide workforce planning strategies (46 per cent)
- Paid student placements (46 per cent)
- Making career options more visible to jobseekers and students (36 per cent).

A significant number of survey respondents stated that longer-term funding contracts would assist in preventing workforce shortages, providing employers with the ability to offer employees greater job security. This finding is consistent with feedback received over several years through consultations with individual organisations, service networks and Town Hall participants.

Some respondents reported trying new strategies in efforts to create more attractive workplace environments:

> *"The casualised workforce greatly impacts staff retention. We are working on improving our rostering practices to support greater equity and staff choices."*

> *"Our younger generation approaches employment with different expectations and priorities compared to older team members. We're actively leaning into this by developing a whole-of-organisation wellbeing strategy that acknowledges and responds to these generational differences. It will be important—and insightful—to see how effectively this strategy meets the diverse needs of our workforce."*

Several respondents reported that attracting experienced and qualified staff is becoming increasingly difficult. Due to this, many organisations often employ new graduates and workers entering the sector.

These workers have higher training and development requirements, which can be challenging for some organisations to meet. Several respondents discussed difficulties meeting new staff members' needs for workplace supervision, training and professional development, and sector entrants' relative inexperience working alongside people experiencing disadvantage:

> *"Many young new grads do not last long in the social service sector. They feel the expectations (workload and renumeration) exceed what they are prepared to give, and they are right to do so. We find staff stay for a year or 2, use the time as a significant learning experience and leave or they are intrinsically motivated and stay long term."*

> *"I think that more practical placements within the services gives grounding for the student to understand the complexity and understanding required for any Human service position."*

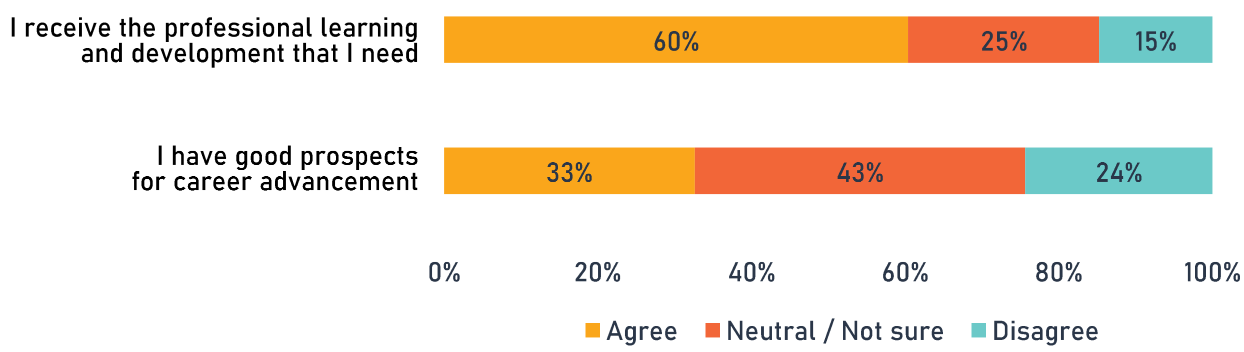
"Staff are stretched, supervision arrangements required by students in social work are ridiculous and there is often a lack of support from universities."

CAREER PROGRESSION AND PROFESSIONAL DEVELOPMENT

Limited career progression and lack of professional development opportunities were motivating factors for many respondents considering leaving the sector, as discussed earlier, while the CEOs and senior managers surveyed recognised that clear career pathways and professional development opportunities can help organisations attract and retain skilled workers.

Survey respondents were asked whether they had good prospects for career advancement. 33 per cent agreed, 43 per cent were neutral or unsure, and 24 per cent disagreed (Figure 8). When asked if they received the professional learning and development required for their roles, 60 per cent agreed, while 25 per cent were neutral or unsure and 15 per cent disagreed.

Figure 8:
How strongly do you agree with the following statements?



87 per cent of CEO and senior managers surveyed said professional development was 'not adequately funded' or was 'underfunded'. This sentiment was echoed at Town Halls. Asked in the survey about the biggest barriers to accessing professional development, sector staff identified workloads and lack of funding, and reported being encouraged to attend training while noting that this was often unrealistic:

"I don't get time to engage in learning or development opportunities unless I access this in my own time."

"It is difficult to engage in professional development because that removes me from core support business. If someone engages in professional development, the team is left understaffed for that duration."

"Training opportunities are plentiful, however the expenses associated with attended training makes it unaffordable and unrealistic for staff to attend. There is no backfill available and therefore staff away from the office puts pressure on the staff left in the office."

"Due to limited funding and being such a small organisation there is neither the funds or the time available for a worker to take time out for training. Training is always done in front of a laptop during my limited lunch breaks."

When asked what learning and development opportunities they were most likely engage with, survey respondents preferred face-to-face workshops (34 per cent) over online learning modules (24 per cent) and webinars (23 per cent). Many survey respondents reflected that online training is more convenient but less effective:

> *"There are not enough opportunities for high quality training face to face in regional centres. We are required to take part in online training. This makes engagement harder."*

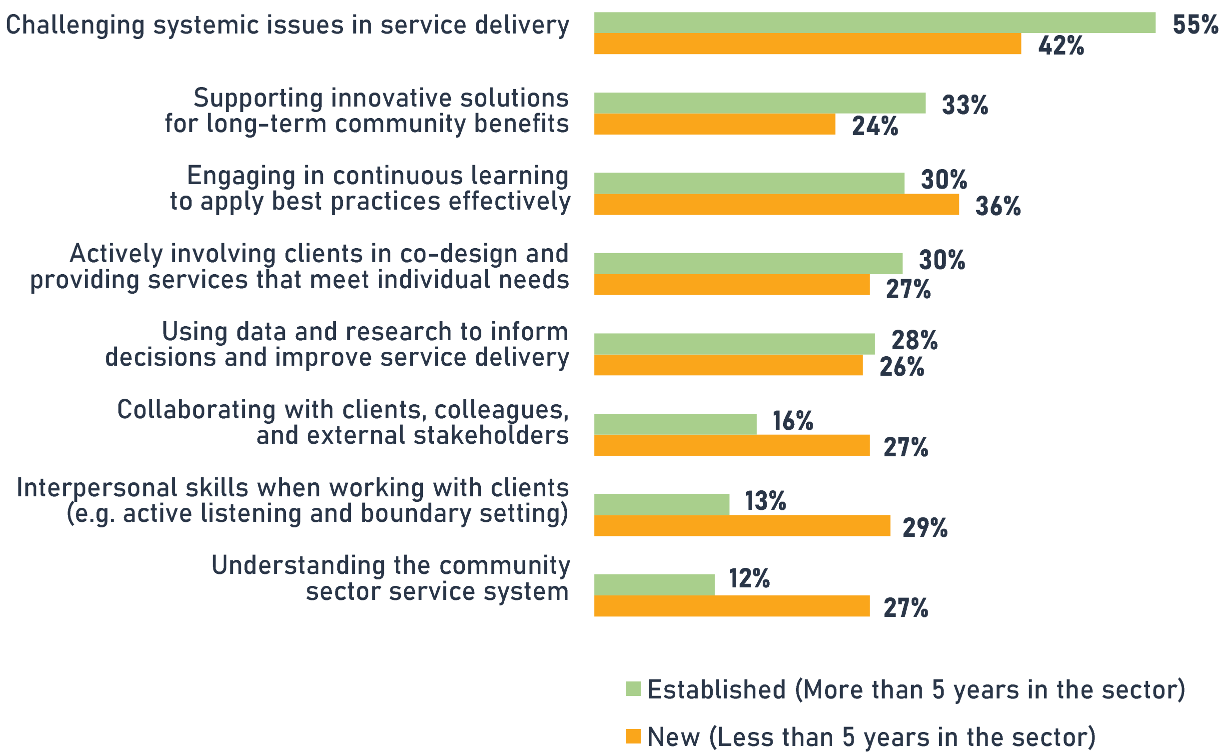
> *"Don't have a lot of time to dedicate to this. Online best time option but often not as effective"*

> *"Online modules are more convenient due to time restraints. My organisation is very supportive of training and development."*

Professional development priorities

Survey respondents were asked to identify up to five areas that would most support their professional development. This question aimed at building understanding of the needs of both recent entrants to the sector and of established workers who have worked in the sector for at least five years (Figure 9).

Figure 9:
Thinking about the skills, competency and understanding of working in the community sector, please indicate up to five priority areas that would most support your professional development



Both new and established workers identified that developing the skills, competencies and understandings to challenge systemic issues is a top priority.

"The system is inadequate for what is needed and must be changed systematically to improve and meet the needs of the people we support."

Both new and established workers also identified continuous learning to apply best practices effectively and actively involving clients in co-design and providing services that meet individual needs.

"Engaging in continuous learning assists us to provide up to date, current best practice when working with those most vulnerable."

"Deep system understanding—and the resources to challenge and co-design solutions—is essential for our sector."

"Co-design and lived experience to assist better service delivery that helps residents meet their goals and aspirations."

New workers put more value on interpersonal skills; collaborating with clients, colleagues and external stakeholders; and understanding the sector service system. Established workers pointed to supporting innovative solutions for long-term community benefits and using data and research to inform decisions and service delivery.

"During the early years, I found I invested a lot of attention in getting the interpersonal skills and service delivery components right but now I'm more interested in addressing the bigger systemic problems contributing to the presenting issues to achieve more effective long-term change. To achieve this though, you need leaders who are committed to continual learning and can effectively support the team to maintain helpful frontline service delivery."

Future professional considerations

Town Hall discussions highlighted the need for clear and specific career pathways in the sector. Participants expressed the need for ongoing professional development, support networks and career progression opportunities for sector workers.

"Professional development and needs of workers needs to be front and centre - lifelong learning, develop towards advanced workforce practice."

"Spend money on professional development and external professional supervision."

Survey respondents, and particularly senior leaders, highlighted that emerging roles and skills in artificial intelligence (AI) and technology would be required to support new ways of working.

"Increasingly complex technology, online collaboration platforms and AI are skills and ways of working [of] which our sector seems very underprepared, slow in adopting and suspicious. However, this is perhaps due to our human-centrered approaches."

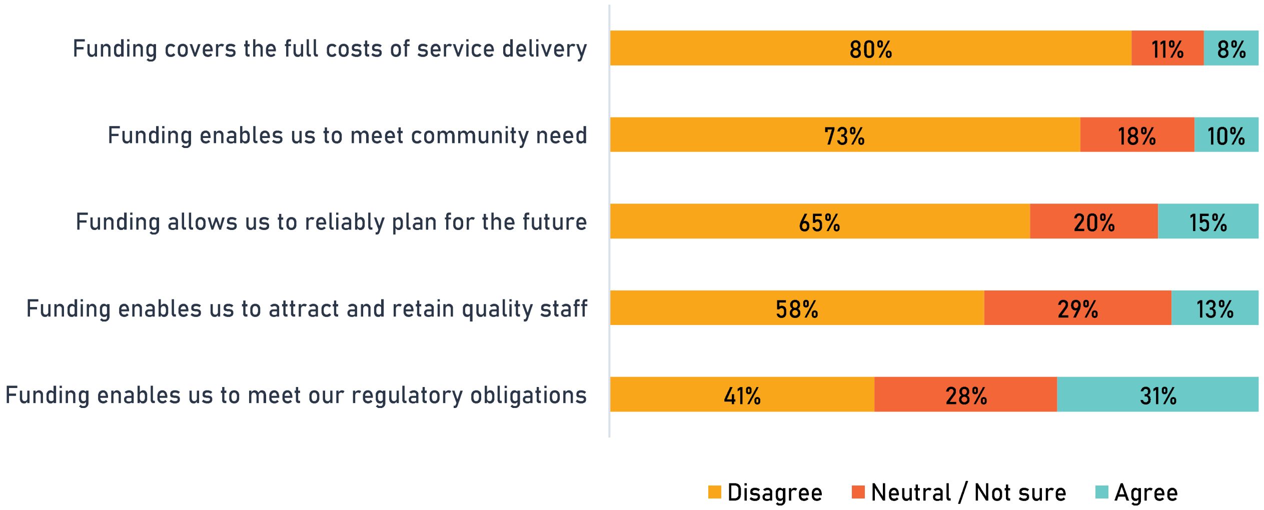
"Nearly every office-based position requires continual technology upskilling"

"Technology skills - cloud based engineers, data engineers, data scientists, content creation, increasingly staff need to have strong digital skills which will need to include prompt engineering."

THE COSTS OF SERVICE DELIVERY AND PROCUREMENT PRACTICES

The majority of sector CEOs and senior managers were expecting their organisations' financial outlooks to stay the same (43 per cent) or improve (28 per cent) in 2025, while 20 per cent expected their financial outlooks to worsen and a further 8 per cent were unsure. Despite the majority having positive expectations, there was broad agreement that funding terms and amounts have not kept up with the costs of running community services. Only 31 per cent of CEOs and senior managers reported being adequately funded to meet regulatory obligations, while an overwhelming majority (80 per cent) said their organisational funding did not cover the cost of service delivery (Figure 10).

Figure 10:
Adequacy of funding from government, in relation to the stream of government funding which is most important to your organisation?



"To continue delivering the high standard of service to our community we will need to secure more funding for the work that we do to continue. Government needs to stop seeing services like ours as value for money because we offer more than what they pay us for."

"It is difficult to run a professional service without skimming money which is provided for service delivery to manage the service, this decreases service delivery reach"

"Cost of doing business is increasing and income is not reflecting the increase. For the first time in my role as manager we are facing a deficit for the financial year."

"Increasing restrictions of government funding don't match increasing complexity of service needs."

Recognising the insufficiency of funding, organisations are having to consider new strategies to keep up with service delivery costs.

> *"We are looking for financial sources outside of funding."*

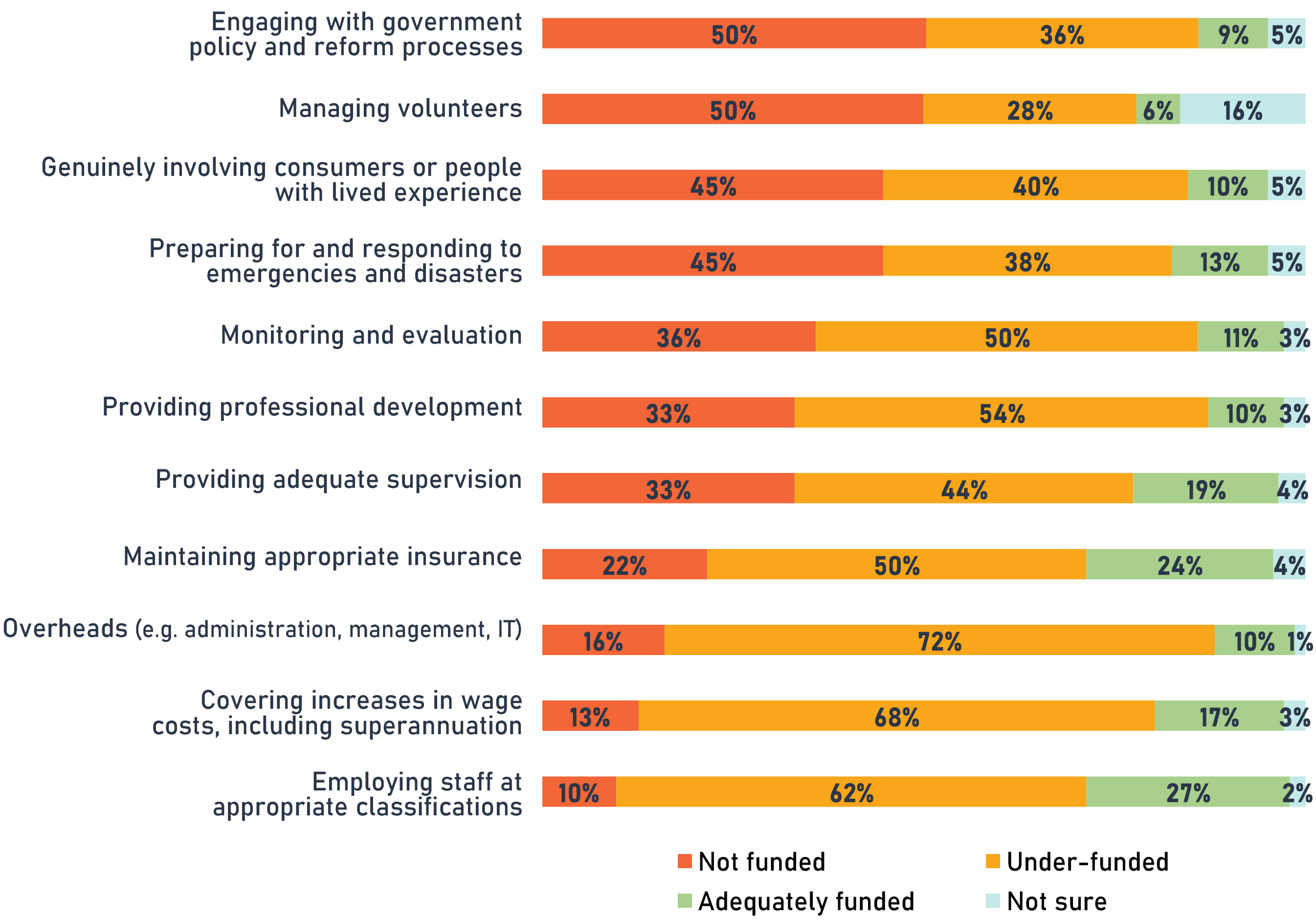
In response to questions exploring the adequacy of each organisation's most important stream of government funding, 88 per cent of respondents reported that basic overheads such as administration, management and IT were either 'not funded' or 'under-funded', and 86 per cent noted that engaging with government policy and reform processes was either 'not funded' or 'under-funded' (Figure 11).

Respondents overwhelmingly reported that their most important government funding stream did not cover or did not adequately cover:

- Monitoring and evaluation (86 per cent)
- Genuinely involving consumers or people with lived experience (85 per cent)
- Preparing for and responding to emergencies and disasters (83 per cent)
- Covering increases in wage costs including superannuation (81 per cent).

A large majority also identified areas of under-funding including managing volunteers (78 per cent), providing adequate supervision (77 per cent), maintaining appropriate insurance (71 per cent), and employing staff at appropriate classifications (71 per cent).

Figure 11:
Are these costs not funded, under-funded or adequately funded?



Adequate indexation is critical to sustainable funding for community services. In 2025-26, the non-government organisation indexation was 3.81 per cent. When asked whether overall indexation was adequate, 53 per cent of sector CEOs and senior managers disagreed. Further comments highlighted a lack of uniformity and an uncertainty regarding indexation across contracting departments.

"Indexation doesn't keep pace with rising costs of service delivery. We get enough notice, but all that does is help us understand what we won't be able to do with the inadequate level of indexing that's applied."

"Although we often receive it, it is actually not written into all the contracts. So we just pray we will get it."

"It has always been an afterthought and not advised of. It is never clear and is just added in a payment. There is no transparency from the department."

"Different grants provide different indexation even within the same Department."

Procurement principles

Government contract management and procurement processes have been a continuing challenge for community services in Queensland. Community Sector Survey respondents agreed that longer-term funding contracts would assist with workforce shortages and related challenges.

Recent state government procurement reforms need to be enacted urgently to support sector sustainability.[vi] Longer term contracts, permanent workers, and adequate training and supervision of workers will allow organisations to maintain their workforce and better equip the sector to meet escalating demand for services.

The implementation of the 2024 election commitment to the community service procurement principles would improve the sustainability of the sector through the adoption of:[vii]

1. **Default five-year initial terms for service agreements, except where justified by specific policy or service delivery grounds.**
2. **Where contractual requirements are being met, six months' notice (in writing) being provided before agreements cease, are not renewed or are substantially reduced.**
3. **Where service agreements are being renewed, offering contracts more than three months before the previous agreement's end date.**
4. **Where contracts are ending and contractual requirements are being met, appropriate 'wind down' periods.**
5. **Permanent employment and entitlements being prioritised for workers.**
6. **Workers being appropriately classified, trained and supervised.**
7. **Contacts supporting community service organisations to develop and implement local approaches.**
8. **Streamlining multiple contracts and working towards management by a lead government agency.**
9. **Contracts being indexed in accordance with government policy.**

These principles were supported by survey respondents. When asked how the service system should change to meet community need, for example, responses included:

"Less bureaucracy and consistent 5-year rolling funding contracts to allow for certainty of planning in community organisations."

"Better funding to employ people full-time to meet the need, rather than stretching staff on limited hours."

"Implementation of supervision for staff and other measures to manage mental health and burnout."

SERVICE EXCELLENCE

QCOSS' Excellence Framework ('The Framework') was developed to forward our aim of striving for excellence with the sector.[viii] The Framework was informed by a literature review, Town Hall consultations in 2024 and a discussion paper distributed in January 2025.[ix] Through this work, seven areas of excellence were identified:

Figure 12:
QCOSS' Excellence Framework: Seven areas of excellence

1. **Governance and leadership**
   Leading an organisation towards a clear vision through the creation and implementation of policies and practices that meet organisational expectations and performance outcomes, and demonstrating accountability

2. **Human rights respecting**
   Aligning services with human rights principles, ensuring equitable treatment and justice for all people, and involving service users in decisions that affect them, while being accountable for the impact of services.

3. **Evidence-based practice**
   Balancing proven practices with community-specific adaptations, using research and data to understand and address problems, and continuously improving through context-specific learning and outcome measurement.

4. **First Nations perspectives and self-determination**
   Including and respecting the perspectives of First Nations People and communities in service design and evaluation, with services being designed and led by First Nations Community Controlled Organisations where there is over-representation of First Nations Peoples in the service user group.

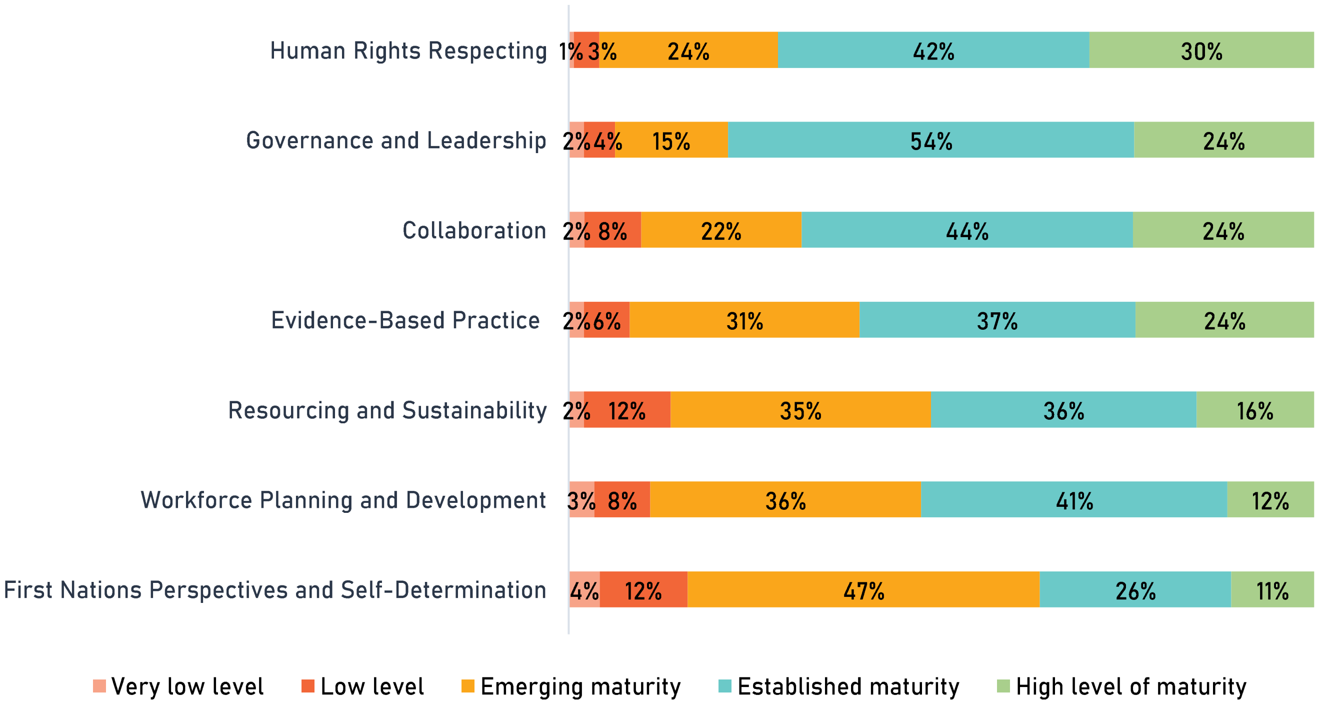
5. **Workforce planning and development**
   Effective workforce planning and development that ensures the right team with the right skills and experience, an inclusive workplace, employee wellbeing, and meaningful work.

6. **Collaboration**
   Having a systems view of problem solving and working with other stakeholders to share perspectives, resources, and responsibilities to achieve shared goals.

7. **Resourcing and sustainability**
   Taking strategic action to foster economic, environmental, and social wellbeing; long-term success; and positive community impact.

In the 2025 Community Sector Survey, sector CEOs and senior managers were asked about their organisations' capabilities across the seven areas of excellence (Figure 13).

Figure 13:
Thinking about your organisational capability across these following areas, please rate your organisation's maturity.



Governance and leadership

Governance and leadership was the highest rated established maturity compared to all other areas of excellence, with survey responses reflecting CEOs and senior managers believing they have mostly 'established' (54 per cent) and 'highly established' (24 per cent) maturity. Comments reflected strong interest from organisational governance bodies and leadership to providing good governance.

"A concentrated effort has been maintained by the Board to establish and support good governance, staff professional development, and robust quality assurance systems which support organisational capabilities."

"We are a local indigenous organisation delivering programs by indigenous people for our own people which does not always give us the skills needed to have good governance"

Human rights respecting

The majority of sector leaders reported having ‘established maturity’ (42 per cent) or ‘highly established maturity’ (30 per cent) in human rights respecting practice.

> *“We respect all people, their ethnicity and their culture. We do not prioritise one above another.”*

This was reflected in the priority placed on improving their human rights respecting practice by sector workers:

> *“…upholding values of human rights and social justice, transparency and inclusiveness…”*

Evidence-based practice

Just under a third of sector leaders (31 per cent) reported ‘emerging maturity’ in the area of evidence-based practice, while a further 37 per cent reported ‘established maturity’ and 24 per cent ‘highly established maturity’.

> *“Thankfully, our organisation has a very strong commitment to investing in practice development, innovation, and research and evaluation, which is paying off in the outcomes we achieve.”*

> *“These capabilities are all important however I think increasingly there needs to be technology capability - how advanced are organisations regarding data collection and storage, cyber-security, AI etc.”*

The support for evidence-based practice in the sector was also demonstrated by organisations’ data collection and reporting capability. The majority ‘agreed’ or ‘somewhat agreed’ that their service had sufficient and appropriate resourcing (75 per cent) and appropriate competencies (84 per cent) for data collection and reporting activities. Seventy-five per cent of respondents stated that their services led change or new initiatives in relation to data.

First Nations perspectives and self-determination

47 per cent of sector CEOs and senior managers reported having ‘emerging maturity’ in the area of First Nations perspectives and self-determination, while smaller groups reported ‘low maturity’ or ‘very low maturity’ (12 and 4 per cent respectively). This area had the greatest percentage of ‘emerging maturity’ identified across of the excellence areas, indicating that it is a developing capability for the sector and one requiring significant investment.

Workforce planning and development

36 per cent of sector CEOs and senior managers reported that their organisations had ‘emerging maturity’ for workforce planning and development. A further 41 per cent reported ‘established maturity’ and only 12 per cent reported a ‘high level of maturity’. This data echoes the workforce challenges being faced by the sector, discussed throughout this report.

Collaboration

Sector organisations are strong collaborators. 44 per cent of sector leaders reported ‘established maturity’, followed by 24 per cent ‘high maturity’ and 22 per cent ‘emerging maturity’ in this area. This reflects the strong history of collaboration and service coordination in the community sector, and the evidence for improved outcomes where service providers work together. However, resource limitations also created challenges to collaboration:

> *“Capacity to take strategic action, engage with strategic partnership and participate in collaborative projects etc is limited by resource capacity / workflow and service demands”*

Resourcing and sustainability

Survey responses suggested that organisations have mostly ‘established maturity’ (36 per cent) or ‘emerging maturity’ (35 per cent) for resourcing and sustainability. Only 16 per cent reported a ‘high level of maturity’ and 14 per cent reported ‘low’ or ‘very low’ levels of maturity in this area. Yet the survey responses and accompanying comments show this area to be challenging for the sector.

“There has been a number of key changes in the local area – the organization is now catching up and with more strategic and operational planning will be in a better place to sustainability provide services.”

“With limited capacity, resourcing these important business functions has been difficult.”

“While we have a good understanding of what we need, we do not always have the resources to develop these areas. Purchasing organisational systems and expertise can be prohibitive to the NFP sector.”

Further comments made by sector leaders showed a commitment to understanding and advancing all areas of excellence for the improvement of the sector.

“Benchmarking would be good, I found these hard to assess.”

“We are developing, but do have good systems in place.”

“It's an ongoing journey to continue to maintain and grow our organisation in these areas.”

WORKFORCE STRATEGY

Community need is growing – and both Jobs Queensland and the Commonwealth Treasury have predicted the community service sector will grow considerably in the immediate and medium terms.[xxi] Evidence within this report, however, shows the sector is already experiencing significant challenges in recruiting, retaining and developing a workforce adequate to meet current demand.

Most CEOs and senior managers reported they found the difficulty retaining staff 'about the same' as (43 per cent) or 'more difficult' (49 per cent) than in 2024-2025. This has been echoed in feedback from Town Hall participants and other survey respondents.

"It is becoming increasingly difficult to compete with the education and health sectors."

'We are now attracting staff with less experience in the workforce, as those with significant experience are often attracted to high paying roles (such as within QHealth)."

"It can be difficult to retain staff when similar jobs within government are paid at a significantly high rate."

A collaborative approach from the sector and government is needed to develop a sector workforce strategy that meets the growing demand for services. The strategy should focus on:

- Improving career pathways for workers in the sector
- Attracting and retaining experienced and qualified workers
- Improving opportunities for career progression, professional development and workforce wellbeing
- Developing adequate skill sets and qualifications to meet the practical needs of the sector
- Building capacity for future workforce planning.

Comments from survey respondents highlighted the need for the strategy to ensure it supports small- and medium-sized organisations and those operating in regional, rural and remote areas:

"It is harder in rural communities with a smaller population to draw from."

"We would love to be able to have qualified workers but because of our location we do not have those types of people living here."

A strategy addressing the serious challenges identified in this report is essential to create a workforce capable of providing critical services when people need them most.

CONCLUSION

In 2024-2025, the sector faced increasing levels of unmet demand, housing insecurity, cost-of-living pressures and workforce challenges. The QCOSS Town Hall participants and Community Sector Survey respondents reported significant impacts that workforce challenges, funding and financial constraints, and administrative burdens are having on organisations' ability to deliver services and meet their communities' needs.

Sector workers raised concerns about the increase in demand for services, including from groups who have previously not needed assistance, such as people with stable incomes. The change in the demographic make-up of service users has been accompanied by an increase in clients presenting with co-occurring issues. Some services have reported that changes to the NDIS are resulting in running deficits on their NDIS programs in order to meet client needs, while the increased complexity of presentations is affecting the capacity of frontline staff, organisations' wait times and service delivery outcomes.

Housing insecurity remains a key issue for both sector workers and services users. Crisis accommodation is increasingly used for long-term stays due to shortages in social and affordable housing, while access to services continues to be an issue in many Queensland regions. Housing issues and related service needs are affecting community organisations across the board, not just those funded to provide housing supports.

Issues of emotional burnout, recruitment and retention problems, and volunteer shortages are negatively impacting the workforce. Sector workers report limited career progression and professional development opportunities, alongside stress and burnout, as the biggest factors driving decisions to leave the sector.

These findings reinforce the need for the implementation of proposed procurement principles and a sector-wide workforce strategy. Procurement principles for longer contract terms, renewal timeframes, streamlined contract management and appropriate indexation, combined with a workforce strategy focusing on permanent employment with improved career pathways, progression and development, would support the sector in building an adequately skilled workforce.

Despite these challenges, the sector continues to serve the community with strength and positivity. Organisations and their workers remain committed to delivering supportive services and achieving positive outcomes for their clients. The vast majority of survey respondents plan on remaining in the sector in the medium-term and many organisations are working on strategies to better resource their teams.

Sector leaders broadly recognised the need for continued development across excellence areas and particularly in relation to integrating First Nations Perspectives into their ways of working.

In 2025-26, QCOSS will use the findings of this report to identify issues that require a strategic response. We will continue to collaborate with community services to identify emerging issues, trends and ideas, and to use the insights gained to inform and develop programs to achieve equality, opportunity and wellbeing for every Queensland community and the sector that supports them every day.

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